

JPRS 79721

23 December 1981

Near East/North Africa Report

No. 2458

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

23 December 1981

NEAR EAST/NORTH AFRICA REPORT

No. 2458

CONTENTS

INTERNATIONAL AFFAIRS

- UAE, FRG Plan Extradition Treaty
(EMIRATES NEWS, 18 Nov 81) 1

Briefs

- Syrian, Soviet News Agencies Sign Agreement 2

INTER-ARAB AFFAIRS

- Syrian-Libyan Joint Agricultural Projects
(Pat McDonnell; SYRIA TIMES, 20 Oct 81) 3

- Arab League To Promote Arab, Islamic Culture Abroad
(KHALEEJ TIMES, 21 Nov 81) 5

IRAN

- Country's Rulers Seek Control of Mecca, Medina Shrines
(IRAN PRESS SERVICE, 26 Nov 81) 6

- National Front Planning To Overthrow Khomeyni Regime
(Editorial, Hushang Kordestani; PEYAM-E JABHE-YE MELLI,
12 Nov 81) 8

- Reopening of Universities Discussed by Minister
(ERRELA'AT, 10 Nov 81) 13

- Provinces Drafting Development, Budget Plan
(KEYHAN, 10 Nov 81) 20

East Azarbaijan
Esfahan Province
Operations of Gilan's Departments

- Followers Reported Leaving Ayatollahs Who Backed Khomeyni Vote Call
(IRAN PRESS SERVICE, 26 Nov 81) 25

Paper Claims Fahd Plan Was 'Butchered' in Iran (TEHRAN TIMES, 28 Nov 81).....	27
Mullahs Shape Up for New Power Struggle (IRAN PRESS SERVICE, 26 Nov 81).....	29
Young Shah Said Behind Coalition Plan (IRAN PRESS SERVICE, 26 Nov 81).....	31
'Honeymoon' Between Tehran, Palestinians Seen Ending (IRAN PRESS SERVICE, 26 Nov 81).....	33
Domestic Goals Seen Behind Anti-Fahd-Plan Rally (IRAN PRESS SERVICE, 26 Nov 81).....	36
Failure of Some Exiles To Join Anti-Khomeyni Struggle Criticized (Teezbin; IRAN PRESS SERVICE, 26 Nov 81).....	38

ISRAEL

Possibility That U.S. Will Recognize PLO Viewed (Editorial; HA'ARETZ, 27 Oct 81).....	40
Finance Committee Said Likud's Weak Point (Yovel Elitsur; MA'ARIV, 11 Oct 81).....	42
Likud MK on Negotiations With PLO (HA'ARETZ, 23 Oct 81).....	45
Military Situation in North Assessed (A. Shweitzer; HA'ARETZ, 23 Oct 81).....	46
Socioeconomic Status of Mideastern Jews Assessed ('Akiv'a 'Eldar; HA'ARETZ, various dates).....	48
New Medical Chemicals Developed (MA'ARIV, 18 Oct 81).....	60
Briefs	
Electronics Industry Statistics	61
IDF Appointment	61
Housing Construction	62
Statistics on Iraqi Jews	62

JORDAN

U.S.-Israeli Cooperation Agreement Seen as Threat (Amman Domestic Service, 2 Dec 81).....	63
Briefs	
Steadfastness Fund	64
W. Bank Village Leagues	64

LEBANON

Lebanese Shi'ite Leader Interviewed (AL-BAYRAQ, 27 Nov 81).....	65
--	----

LIBYA

American Leadership Accused of Nuclear Warmongering (AL-ZAHF AL-AKDAR, 13 Nov 81).....	67
Cultural Center Opened in Kuala Lumpur (THE JAMAHIRIYA MAIL, 21 Nov 81).....	69
Briefs Air Agreement With Rwanda	70

MAURITANIA

New Food Cooperative Seeks To Solve Rural Problems (Abba O. Mohamed; CHAAB, 29, 30-31 Oct 81).....	71
---	----

MOROCCO

Drought Causing Grave Crisis in Dairy Industry (LA VIE ECONOMIQUE, 30 Oct 81).....	74
---	----

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

Lebanese Paper Interviews Foreign Minister (AL-SAFIR, 5 Dec 81).....	77
---	----

SAUDI ARABIA

Reagan's Jerusalem Policy Criticized (Jasir al-Jasir; AL-JAZIRAH, 24 Nov 81).....	79
Iran Admits Buying Arms From Israel (Salih al-Duwati, 'Abdullah Rajih; Riyadh Domestic Service, 29 Nov 81).....	80
Briefs AWACS for Gulf	82
Iran Arms From Israel	82
Peace Plan	83
USSR Relations	83
Secret Visit to China	83
India To Open Supermarket	83

UNITED ARAB EMIRATES

Government Grants Industrial Bank 1 Billion Dirham Loan (EMIRATES NEWS, 18 Nov 81).....	84
--	----

Industrial Bank Policy Discussed, Shareholders Listed (EMIRATES NEWS, 21 Nov 81)	85
Steps Taken To Curb Trade Fraud (Maruf Khwaja; EMIRATES NEWS, 18 Nov 81)	87
Dubai's Customs Tariff System Discussed (EMIRATES NEWS, 9 Nov 81)	89
Shoddy Banking Practices Cited (KHALEEJ TIMES, 23 Nov 81)	90
Consultative Council Approves Draft Laws (EMIRATES NEWS, 9 Nov 81)	91

YEMEN ARAB REPUBLIC

Briefs

Iranian Diplomat Flees	92
Support for Iraq	92

UAE, FRG PLAN EXTRADITION TREATY

Abu Dhabi EMIRATES NEWS in English 18 Nov 81 p 3

[Text]

ABU DHABI (EN): The Fatwa and legislation Department is revising the final text of a draft extradition treaty between the UAE and West Germany, according to Al Bayan.

The department received the draft treaty from the Interior Ministry after Minister of State for Interior Affairs Hamouda bin Ali had approved it.

According to the draft the two countries agree to extradite persons wanted by law in either country. Assistant Under-Secretary in the Ministry of Justice and Islamic Affairs Al Aqroubi said.

It however makes the extradition of citizens of either country non-obligatory with certain exceptions.

Individuals charged with crimes that carry jail terms of one year or more in either country will be

extradited.

The draft rules out extradition in cases involving political offences. The following offences will not be considered political:

- Assaulting the head of state of any of the two countries, or a member of his family.

- Assaulting or attempting to assault any of the members of the UAE Supreme Council or their family members.

- Murder and robbery.

- Terrorism.

- If the crime for which the extradition is demanded is committed in the country demanding extradition.

- If the person sought to be extradited has already been tried for the same offence for which the extradition has been sought and a judgement passed.

CSO: 4700/79

INTERNATIONAL AFFAIRS

BRIEFS

SYRIAN, SOVIET NEWS AGENCIES SIGN AGREEMENT--Moscow, (SANA)--The Syrian Arab News Agency (SANA) delegation headed by Dr Saber Falhout and the Soviet news agency (NOVOSTI) signed here on Tuesday an agreement of joint cooperation. The agreement included the exchange of news, information, documents and photographs. It also included the exchange of delegations, training of technicians and the co-ordination of the political stands in international conferences and in the Arab-European dialogue which will be held between Arab and European news agencies. Speaking at the ceremony held for signing the agreement, the chairman of the Soviet news agency praised Syria's national and progressive role under the leadership of President Hafez Assad. He said that the Syrian role is lauded and respected by the peoples of the socialist countries. Syria is one of the most solid fronts struggling against American imperialism and international Zionism in order to defend the rights of the Palestinian people and to achieve progress, socialism and a just peace, he added. [Text] [Damascus SYRIA TIMES in English 21 Oct 81 p 2]

CSO: 4400/78

SYRIAN-LIBYAN JOINT AGRICULTURAL PROJECTS

Damascus SYRIA TIMES in English 20 Oct 81 p 3

[Article by Pat McDonnell]

[Text]

"Our goal isn't to reap profits, our chief aim is to help Syria develop", said Ahmad Mounir al-Homosh, general director of the Syrian-Libyan Company for Industrial and Agricultural Investments (SYLICO).

An agreement was signed between Syria and Libya on Jan. 21, 1978, for a joint company to invest in industrial and agricultural projects in Syria for a duration of 50 years. Initial priorities were placed on stock breeding, grain production and a textile factory. The six-member board of directors is composed of three representatives from each country and the chairman of the board is Libyan, the vice chairman is Syrian. Bylaws state the board will appoint a general director of Syrian nationality and a vice director of Libyan nationality.

The biggest venture launched by the company is a project for wheat cultivation in the Ras al-Ein region around Hassake. Sylco initially rented 18,000 hectares of marginal land from the government in 1980.

"Since this is land where rainfall is around 200 to 250

mm annually, we took parcels of land and experimented with drilling artesian wells", Mr al-Homosh explained. "Later, we rented drilling equipment and struck water 180 to 265m. below the earth's surface".

More than 22 artesian wells have been drilled so far and Sylco has purchased two water drilling rigs with a capacity of 550m depth that arrived in Syria in early September.

During 1980, a total of 10,000 hectares was seeded — 75 per cent with wheat, 25 per cent with barley. "We feel that mechanized agricultural techniques must be introduced and we purchased the very best equipment", Mr al-Homosh continued. "This equipment was put to work as soon as it landed at Lattakia.

"We had a bumper crop during 1981 and we owe this to four factors: scientific seeding methods, good rainfall, irrigation from the artesian wells and time saved with up-to-date threshing machines".

"The land that produced this year must be left fallow for one season and a new block of 8,000 hectares is to be seeded in December. If production

keeps up as it has, we can once more become a wheat exporting nation on the scale that earned us the name of being the bread basket for the Roman Empire 2,000 years ago. We have fertile soil, the challenge is to find new means of irrigating it — and then sowing and reaping under mechanized means”.

Mr al-Homosh, who holds a degree in business administration from Cairo University and was an economic consultant to the Syrian Prime Minister before his appointment to Sylico, states:

“We differ from other companies operating in Syria because our feasibility studies seek out various locations in the country and we’re able to select from these choices for the optimum location for each project. Size is not important to us, we’re initially working on an experimental basis; if our techniques prove correct, we shall proceed to expand”.

Mr al-Homosh commented that one of Syria’s foremost needs is to increase dairy production. A feasibility report and technical study were made for the construction of an agricultural-milk producing complex and dairy in Dera’a.

The location of Dera’a in southern Syria was selected because it can readily supply dairy products to Damascus and all Syria as well as later to Jordan and as far south as Saudi Arabia. The project will not only include production of fodder, but accommodations for 1,200 to 1,600 milk cows and a nearby dairy. Actual construction is scheduled to begin in early 1982 with production slated for 18 months thereafter.

A feasibility study also is near completion for a sheep

breeding project in Hassake in northeastern Syria. “We plan to breed al-Wahas sheep, a breed that not only Syrians, but consumers in Saudi and the Gulf prefer”, Mr al-Homosh noted. As to the size of the project, he commented that this will be determined by the feasibility study.

Yet another feasibility report is due for completion at the end of this year. In this case, it is for a textile factory near Homs, the midlands of Syria. The factory is projected to produce 14 million metres of 100 per cent Syrian cotton fabric and some textiles of cotton mixed with synthetic threads.

Last month, Sylico announced plans to launch an agricultural project on 4,000 dunums of land in Quneitra. Some of the best agricultural land of Syria is located here, under the shadow of Israeli guns atop the Golan Heights.

“As yet, we don’t know if this project will be for cultivation or merely for grazing herds”, Mr al-Homosh said, “but I feel it will be the former”.

When asked if his company had considered the prospect of Israelis shooting down on workmen, he replied: “Why should we leave some of our best land unfarmed for fear of unjust reprisals from the Israelis? It is our duty to put a stop to this fear and to begin to rebuild the city of Quneitra and make use of this choice fertile land”.

In closing, he noted that Syria is in the centre of the Middle East, the perfect spot for distributing the foodstuffs and technological goods soon to be produced by Sylico Company.

ARAB LEAGUE TO PROMOTE ARAB, ISLAMIC CULTURE ABROAD

Dubai KHALEEJ TIMES in English 21 Nov 81 p 2

[Text]

TUNIS—A meeting called by the Arab League Educational, Scientific and Cultural Organisation (Alesco) ended here after calling for a national body to promote Islamic and Arab cultures abroad.

The three-day meeting explored the dimensions of a massive plan to spread those cultures on a global level after studying previous experiments of Britain, the Soviet Union, France and Germany.

The meeting was attended by delegations from Jordan, Tunisia, Algeria, Djibouti, Saudi Arabia, Sudan, Syria, Iraq, Palestine, Qatar, Kuwait, Lebanon, Libya and Morocco.

In the course of its three-day session, the meeting reviewed problems

confronting the penetration of Islamic and Arab cultures in other regions, including those of finance.

The meeting was also attended by representatives from Unesco, the Arab Universities' Association, the Islamic Centre of Argentina, the Middle East University of Chicago, the Austrian National Library, the Arab-American Society of New York, the University of Indiana and the Islamic Cultural Centre of Brussels.

A study presented to the conference outlined the important role of the Arabic language and its close association with socio-political and economic strategies of most of the world's nations.

In the face of a prevailing Israeli cultural invasion, the meeting called for adequate "cultural security" and

protection of Muslims and Arab cultures and civilisations.

A draft plan presented to the conference by Alesco called for intensified efforts to spread Arabic in Afro-Asian countries with high Muslim populations.

The plan called for the provision of educational facilities to Arab communities abroad, particularly in European countries and North and South America.

The panel endorsed proposals to realise inter-Arab cooperation for publication of books and the establishment of international Arab cultural centres.

The meeting also called on Arab states and development funds to provide an annual budget to fund the project in addition to current resources of Alesco.—Kuna

CSO: 4400/79

COUNTRY'S RULERS SEEK CONTROL OF MECCA, MEDINA SHRINES

London IRAN PRESS SERVICE in English 26 Nov 81 pp 8-9

[By special correspondent]

[Text] Ayatollah Khomeini and his militant supporters believe that their dream of the creation of an Islamic Empire may never come to reality if they do not succeed in converting Saudi Arabia into the heartland of that empire.

"As true Muslims how can we tolerate leaving our most sacred shrines in the custody of a group of heretics who are stooges of our sworn enemies, the Americans?" was how a speaker on radio in the now heavily-angled children's programmes in Iran put it before the Haj pilgrimage two months ago.

The speaker, another of the turbaned revolutionaries, went on to say that a true Islamic homeland would have Mecca as its real and spiritual capital where the paramount Faghih (religious authority) would have his seat to guide the entire Islamic world. In plain language he meant that Khomeini, who is hailed as the paramount spiritual and political leader of the Islamic peoples, (not the Iranian nation) must by right live in Mecca and be the custodian of the holy shrines.

In another commentary several weeks later, a political analyst argued that the Saudi regime was the weakest link in the chain of American surrogates in the region. "The Saudi realm is the heart of the American set-up," he said. "Any good soldier knows that by aiming at the heart he can knock down the body."

The extremist mullahs appear to believe that if they bring Saudi Arabia under their domination the entire southern coast of the Persian Gulf, including Oman, will fall to them, and the epicentre of the Islamic world will shift from Cairo to Mecca. The era of the prophet's own time will thus be reincarnated.

It is no secret that the Khomeini camp is not fanatically concerned with its Iranian identity, nor, any longer, with Shi-ite sectarianism. If need be they are ready to call for unity among all branches of Islam provided the principle of "Velayat-e-Faghih"--the authority of the religious head--is accepted universally by all Muslims.

These considerations are at the heart of the mullahs' current campaign against the Saudis. Moreover, the mullahs have a deep down fear that unless they internationalise

their cause, their theocracy might not survive in Iran. They are aware of the fact that their success in establishing a theocracy in Iran was a historical accident. Khomeini has repeatedly said that he, too, is sometimes unable to understand how his forces triumphed against the Shah's modern army. That is why he calls his revolution a divine creation.

There are signs, too, that Khomeini may also have appreciated that his failure in spreading his revolution almost instantaneously to other parts of the Muslim world may have been due to the fact that he stressed its Shia nature rather than the general Muslim one. Many experienced observers in the Arab world believe that the governments of smaller Arab states like Kuwait and other emirates would have been swept away in the wave of Islamic fanaticism which could have been aroused by the success of a revolution with universal appeal to all Muslims.

Once installed in Mecca the Shi'ite extremists could impose a great deal of their will on the Muslim world, some sources believe. They believe the most fervent Sunni Muslims have been so affected by the romantic notions of an Islamic world raised by Khomeini and his revolutionaries that they would go along with a full scale campaign against the more moderate Muslim leadership. They point to the big number of subversive Muslim students and agents who issue forth from mosques and Islamic associations, even in non-Muslim countries, spreading praise for Khomeini and his revolution notwithstanding its bloody reputation with the public in those places.

"While really devout Sunni Muslim leaders and scholars would never accept the Shia heresy there is a big mass of fervent, but less educated, or very radically inclined people who would exult in a Muslim victory over the Western world with greater intensity than they can feel about the pure tenets of their religion," one analyst warned. "Don't forget that it is revolutionary, anti-Western, anti-imperialist feeling that is now the real resource of the Khomeini regime in Iran--not a simple religious fervour.

"Young people all over the Muslim world are captured by this desire to see the West's influence eradicated in their countries. They see the general philosophy of Islam as providing the greatest weapon to do this. That is the chord which Khomeini and his fellows can still strike repeatedly, with serious effects for the rest of the world."

CSO: 4600/146

NATIONAL FRONT PLANNING TO OVERTHROW KHOMEYNI REGIME

Paris PEYAM-E JABHE-YE MELLI in Persian No 3, 12 Nov 81 pp 1, 2, 3

[Editorial by Hushang Kordestani]

[Text] Without a doubt, the major burden of political struggle in the years before the establishment of the Khomeyni regime was on the shoulders of the National Front. Now, too, the main political faction of opponents of the present regime is the National Front. In other words, the National Front has been a faction of political struggle during the previous regime and is now against the present ruling regime. It will continue to fight along this path of struggle. Unfortunately, the recent full scale political actions of the National Front--which, fortunately, reveal its success in Iran and demonstrate its deep influence among a people who have not forgotten the fighting tradition of the National Front and the method of leadership of Mosaddeq--have been recounted far less than they deserve by the world news agencies and news broadcasts, for obvious reasons with which we deal in the following:

First, the intentional or unintentional lack of attention of the mass media in the world to the nationalist struggle in Iran.

Second, the attention of the same news agencies and mass media to merely armed operations of political struggle in Iran.

As mentioned, the National Front has recently, through several political actions, achieved great successes, proving its superiority in political struggle over any other form of struggle. World propaganda has intentionally tried to simply dismiss them or has untruthfully considered them dependent and has used them to support individuals of their choice. For instance, we mention the following cases:

1. The gathering of the people of Tehran, which was to take place at the invitation of the National Front on 15 Jun 81 in Ferdowsi Square to challenge the legitimacy of the clerical regime, which the regime knew of before hand and tried with all its might, aided by leftist elements, to prevent from happening or stop from being widely reported and which the mass media tried, without a shred of evidence, to show as the people's support for the president of the time, even though he did not consent to even print the announcement for the march in his newspaper as an advertisement.

The resolution issued by the combatants of the National Front on the day of the march clearly showed that the National Front of Iran had begun a fundamental struggle to overthrow the Khomeyni regime and nothing else.

The regime and the leftist dependent elements were so terrified of this great march, and of widespread demonstrations, that they hastily and miserably banned it and condemned it as heretical, then broadcast Khomeyni's speech over the regime's radio just before the hour the march was to take place, in essence, to prevent the issuance of the resolution which was to be read at the end of this gathering. From its first article, it had declared the present regime absolutely illegitimate because of its anti-human actions, its violations of individual and group rights, its killing of innocent people, its dependence on and loyalty to foreigners, and its obvious anti-national nature, demanding a struggle to overthrow this regime until the ultimate victory.

2. The denouncement of the handpicked president on 24 Jul 81, which resulted in the appointment of Raja'i and the request of the National Front for the people not to leave their houses that day until the polls were closed as a sign of protest for any sort of staged election was greatly welcomed by the people of the cities, especially the combative people of Tehran.

3. The repeated denunciation of the elections and requests for the people to stay at home on 2 Oct, the day of the appointment of the third president of the clerics, which was welcomed by the people throughout Iran even more than the first denunciation. Here is our opportunity to sincerely thank, once again, all the Iranian people, especially the great majority who gave their united response to this call of the National Front for public protest.

Also, we declare once more that the power of the people when they are united is so forceful that neither the bloodthirsty ruling regime nor its foreign supporters can ignore it. As mentioned, these political actions demonstrate that they are the right way to overthrow the present regime. They also demonstrate the fact that if, with continual political actions, we inform the masses of people of the power of their unity in attaining the goal of overthrowing the Khomeyni

regime, the struggle will soon break the weak and hollow foundations of the theocratic government and its structure will crumble down over its head and those of its masters who made the green cloth.

The National Front of Iran, without expressing the slightest opposition to or having a specific position concerning the methods and forms of the struggle of groups who are fighting in opposition to the regime--since it would have negative effects on the total power of the opposing forces--declares that it will continue its struggle against the present governing regime, mostly through political means, since political struggle is the basis for any other sort of national struggle. That is, the National Front of Iran, without negating the other methods of opposing groups, has chosen political struggle as its own road and relies, along this road, on the eternal power of the nation. It believes that no dominant ruling power can equal or confront the power of the whole nation and that the people of Iran, through unity, are capable of putting an end to the present dying regime through united political action, because, in the final analysis, the means and tools for the preservation and stability of any autocratic power--that is, the armed men who have been brainwashed into protecting and supporting it--are not separate from the whole nation but are part of these people. Certainly, in the final sensitive moments, they will join the nation, the great family of the Iranian people, and will return to the nation rather than to the community [ommat]. They will join the people as they have done in the past struggles throughout the world and in our own Iran.

Although the recently armed struggle against the regime has taken place and is taking place by numerous, scattered groups, we believe that no armed or guerrilla action to overthrow the regime, which is limited to a special interest group or groups and is not politically supported by the masses of Iranian people, will, by itself, achieve a desired result. Even given the slight possibility that one day in the future an armed movement could play a role in the overthrow of the present regime, if the public does not welcome it, it would certainly have no choice but to protect its acquired power through dependence and foreign support, even if it is independent today, and by imposing a regime of force and terrorism. It would be nothing but an autocratic government and a transient, dependent dictatorship.

Given the fact that the solution to the present problems and difficulties of Iran--noting the bitter experiences of the past and the particular strategic position of Iran--cannot, without doubt, be a dictatorship, as the fate of the past and present regimes in Iran have historically clarified; all evidence points to the fact that the only regime that has a chance of creating a stable, strong government which is internationally acceptable is surely a democratic government which relies on the support of the people, in other words, a national government. This means that any government dependent on any foreign power will have no political future in Iran. Hence, the importance

of the establishment of a democratic regime and the importance of the people's political movements to attain such a government are already apparent.

Today, the people of Iran, aware that they were greatly deceived in the name of revolution, will be careful to employ all their efforts from now on to support a national force. Through regained political and combative wisdom and insight, they have come to a common intellectual conclusion that the only way to free Iran from the claws of the bloodthirsty monster, Khomeyni, and to attain a national rule which would bring about a government of law and freedom is a government, a national political current, which relies on the support of the masses of the people and not an armed, factional movement, which is likely to bring with it another dictatorship.

The only armed movement which can be tolerated is one formed alongside the people's political movement and for the purpose of attaining the goals of independence, freedom, and national rule. Only such an armed movement can have a chance for victory that conforms to the social, strategic, and political needs of today's Iran and to the historical wish of our people, that is, one which stands beside the national combative forces of the country.

The National Front of Iran has never supported an armed movement of revenge against the regime--in other words, responding to wrong with wrong--because revenge will naturally bring about more revenge; its continuation will cause the present quarrels to change into overall civil war and fratricide and will benefit only our foreign enemies.

Since the National Front, as a representative of the patriotic people of Iran, has issued a verdict of condemnation and called for the overthrow of the Khomeyni regime by its members in exile who have the opportunity and resources for activities to inform the people of Iran, it will soon announce its program in the three parallel directions mentioned below and hereby declares the beginning of its ultimate movement.

1. A united political people's movement throughout Iran, which is the true field for the final destiny-making battle to attain national victory.
2. A plan to end the destructive war between Iran and Iraq based on the preservation of national autonomy and integrity on land and sea in Iran in order to enable our military brothers to stand side by side with the nation to overthrow Khomeyni and attain our national goals.
3. The mobilization of Iranians abroad--who number about 2 million, consisting mostly of intellectuals and administrators--who must play

their historic role in the country after the overthrow of the regime and at the beginning of the period of construction in Iran.

Finally, an attempt will be made to create a force of national unity, making the liberated people of the world aware of the nature of the clerical regime and calling for assistance from all humanitarian people to overthrow this anti-human regime. They should, at last, realize the truth that Iran is not only governed by an anti-Iranian regime, but an anti-human regime, in whose overthrow all free thinkers and humanitarians should participate.

Once again, we remind the patriots and lovers of Iran of the importance of these times and the heavy burden of our national duty, so that they know that any kind of disunity, for any reason, among the national forces in the sacred, patriotic battle is condemned by us and will not be forgotten in the history of Iran.

Hushang Kordestani

9593

CSO: 4640/77

REOPENING OF UNIVERSITIES DISCUSSED BY MINISTER

Tehran ERRELA'AT in Persian 10 Nov 81 p 14

[Text] Dr Mohammad 'Ali Najafi, the minister of culture and higher education, took part in an interview with the university correspondent of ETTELA'AT, responding to questions on various university-related issues. The major issues discussed in this interview were: the re-opening and new opening of universities, graduating the students of the old system, new processes for sending students abroad, the revision of the system for sending currency to students abroad, the formation of a commission to evaluate the degrees of graduates from abroad, the timetable for the admission of new students to the nation's universities, the fate of the fields of the arts, the new names for universities, etc.

What you read below is a detailed text of the interview.

Re-Opening of Universities

In the beginning, responding to a question concerning the re-opening of the universities and especially the plan for the graduation of students of the old university system who have up to 25 credit hours to complete, Dr Najafi said: Concerning the re-opening of the universities and the graduation of students of the previous university system, certain steps have already been taken. In the field of medicine and related fields, the universities have already begun their educational programs for those students who have four semesters remaining of their education. In veterenary medicine and pharmacology, the program will soon begin for those students who have three semesters left of their education. For the students of other fields who have no more than four semesters to finish, a special council has been formed in the headquarters of the cultural revolution, which is making plans. I hope that within the next 3 months, students who have about 25 credit hours left of their education will go to the universities during the present academic year and begin their programs of study. In any case, as regards the re-opening of the universities, we are trying to expedite this matter in light of the directives of the Imam. Naturally, in the process, we are not

prepared to sacrifice our goals and ideals. We will Islamicize the atmosphere of the universities and we will try to make use of committed professors and students in the re-opening process; but, we will also try to inject an acceptable amount of Islamic culture into the present program, so that those students who graduate during this transitional period will have at least an elementary familiarity with Islamic issues.

Graduation Plan

[Question] Do you mean that within a maximum period of the next three months, the graduation plan for all students, not exclusively those in the medical fields, who have up to 25 credit hours remaining will be implemented?

Dr Najafi: Yes, since the medical fields have already begun. I mean, all the other fields except the field of humanities. It has not been decided whether this field will be included or not.

25 Credit Hours

[Question] Is there a pain for students who need more than 25 credit hours, for instance, up to 40 credit hours?

Dr Najafi: No precise plan has been devised. However, in the next stage, they would certainly be considered.

The Timetable for the Implementation of the Plan

[Question] Do you think that this time, the above plan will be implemented in this time period, in contrast to the previous times, when dates were announced but the plans were never implemented?

Dr Najafi: I hope that by mid-winter of this year, classes will begin, unless particular difficulties are encountered in the planning or the implementational stages which would force us to move this date forward. Otherwise, at the present time, we foresee no difficulties which would prevent the implementation of this plan. Only the exact number of credit hours needs to be determined.

Coordination with the Headquarters for the Cultural Revolution

[Question] In regards to the relationship between the Ministry of Culture and Higher Education and the headquarters for the cultural revolution, it seems that they lack the necessary coordination. What is the reason and, consequently, which one would be more effective in determining the future direction of the universities?

Dr Najafi: I think, under present circumstances, the necessary coordination does exist and it would be unlikely that what you hear

from the authorities of the Ministry of Culture and Higher Education would be in contradiction with that from the authorities of the headquarters for the cultural revolution, unless you count the unauthorized statements, for instance, of members of one of the committees of the headquarters or what is said at the lower levels in the ministries. In any case, they are relatively coordinated. In reference to which one would play a more effective role concerning the universities, it must be said that in planning and determining the management of the universities, the educational system, and the content of the courses, the headquarters for the cultural revolution and its planning groups would be more effective; in the areas of implementation, determining the operational charters, and the supervision over the operations, the Ministry of Higher Education would be effective. In other words, the duties have, in fact, been divided between them and, as a result, they do not interfere with each other.

[Question] The reason the question was asked is that earlier the members of the headquarters for the cultural revolution had announced in a press conference that the graduation plan for students of the previous system who needed up to 25 credit hours would begin in early fall of this year.

Dr Najafi: Yes, but since then, there has been complete coordination and fewer contradictory statements have been made.

[Question] Then, at the present time, does the graduation plan for students with 25 credit hours remaining concern the Ministry of Culture and Higher Education in terms of implementation?

Dr Najafi: Yes, in fact, an organization has been formed in the Ministry, called the operational headquarters for the cultural revolution. All plans for the re-opening of the universities are supervised by this headquarters, which will also be responsible for their implementation. This headquarters has a central council in which the minister of culture and higher education, one of his deputies, and the members of the headquarters for the cultural revolution are members. Therefore, we will coordinate our work from the operational standpoint as well.

New Opening of Universities

[Question] What has been discussed thusfar concerns re-opening the universities, which essentially concerns those students who need relatively few credit hours. Now, could you explain what decisions and new steps have been taken concerning the new opening of universities, which would concern most of the students of the old system as well as new students?

Dr Najafi: In regards to the new opening, at the present time, preliminary steps have been taken in the area of teacher training and

medical colleges. That is, two legislative bills have been drafted and presented to the government which must, upon their approval by the Cabinet, be sent to the Majlis. Before the ratification of this plan by the Majlis, the new opening will be practically impossible. As regards agricultural, technical, and engineering fields, final steps are being taken. In regards to other fields, such as the sciences and humanities, plans have been made, but a comprehensive final plan has not yet been completed.

[Question] Could you explain more about the two bills which have been sent to the Majlis for ratification?

Dr Najafi: Concerning teacher training, it has been proposed that a teacher training university system be established which would combine all the institutions affiliated with the Ministry of Education and universities affiliated with the Ministry of Culture and Higher Education which are responsible for teacher training, then all would operate within a single organization.

In regards to medical colleges, the plan proposes to combine them all along with all the resources of the Ministry of Health to form a new ministry called the Ministry of Health and Medical Education. In which case, treatment and medical education resources would be combined.

Date for Admission of New Students

[Question] When will the new opening of universities and the admission of new students be, given your recent trip to Ahvaz when, during your visit to the University of Ahvaz, you expressed hope that the opening of the universities would coincide with the end of the war?

Dr. Najafi: The re-opening of the universities and the issue of the war which I spoke of in Ahvaz only concerned the university of Ahvaz. Of course, as for the medical college, the University of Ahvaz is scheduled to begin its educational activities for students who are included in the transitional plan within the next one or two weeks. Concerning fields other than medicine, we hope, God-willing, to prepare the plan affecting those students with 25 credit hours remaining by the end of the war, to be implemented in Ahvaz. Therefore, this issue has nothing to do with the admission of new students.

In connection with the admission of new students, the related plans must be ratified by the Majlis. Meanwhile, before they are ratified, we are making plans to facilitate their implementation so that new students can be admitted as soon as these plans are ratified. But, as to the exact date, that is not yet certain. However, I am certain that we will need time, at least until Mar or Apr of next year to plan the implementation of student admissions. Hence, the admission of new students will be postponed, if possible, until next Mar or Apr.

New Names for Universities

[Question] What decisions have been made concerning new names for the universities?

Dr Najafi: In this connection, in the future, we will determine certain regions for higher education throughout Iran. Each region might include several provinces. In every region, there will be a parent university and several colleges affiliated with that university. At the same time, with the plan for regionalizing higher education, determining the number of regions and the location for each one of the universities, naturally, many universities will either be moved, closed, or combined. Therefore, I believe that the re-naming of the universities must be postponed until after we determine these regions and their universities. After they have been determined and their locations have been set, we will name them. This was discussed earlier and it was decided that after the higher education regions are determined, a council will study all the name proposals and will choose a name for each university appropriate to its function and geographical location.

Sending Foreign Currency for Students

[Question] The new government decision announced some time ago concerning sending foreign currency for students states that those students whose fields of study are not needed by the country will not receive foreign currency while those studying needed fields will be given an increase. What can you tell us in this regard?

Dr Najafi: About the situation of these students, quite some time ago this was studied by the Ministry of Culture and Higher Education. They had announced certain fields which were not needed and had given the students the opportunity to change their fields. The reason is that when we are sure that a particular field is not needed, naturally, we do not want our students to waste their time in this field or to waste the country's foreign currency to get a degree or specialization which we do not need. The Cabinet emphasized this issue and decided that it should be reexamined to determine, given our monetary difficulties and restrictions, if there are other fields which are not needed by the country, which would, in the future, be included in the previous list and we would then avoid sending foreign currency for them. In any case, when the fields which are needed are determined, we will give an opportunity to students who have been studying other fields to change them and only in this case will they receive foreign currency. This will enable the country to make use of the knowledge of these individuals for its own needs.

[Question] At what stage is this plan at the present time?

Dr Najafi: The plan is presently being studied and nothing has been announced. Before any announcement, it will be sent to the Cabinet.

Sending Students Abroad

[Question] What programs lie ahead of us in regards to sending students abroad?

Dr Najafi: On the whole, we do not consider sending students abroad in the best interests of the country. If students are sent abroad in the future, it will be on a much smaller scale than in the past. Sending students abroad in the uncontrolled manner of before the revolution and one or two years after the revolution had unpleasant cultural and educational effects for us. Culturally, our youth, without having established the necessary roots and depth and without the sufficient familiarity with Islamic culture and tradition, were sent to Western and some Eastern countries and in many cases, they were influenced by atheistic cultures. As a result, those traditional roots which were not yet fully formed in them were weakened. From an educational standpoint, as well, from the studies that we have made, we have seen that in many cases students studied in fields which are not needed or studied at universities which are very low in scientific standing, are very weak in academic standards, or generally are engaged in non-academic activities. Therefore, we believe that sending students abroad should take place under new, strict guidelines and conditions. The monetary difficulties of the country will also force us to send fewer students abroad. Presently, a committee in the Ministry of Culture and Higher Education is devising new guidelines. As I said earlier, we are sure that, at least for the future months, sending high school graduates will absolutely not take place and at the higher levels, it will be very, very difficult.

Evaluation of Educational Degrees

[Question] In our previous interview, I asked you about students who have graduated from abroad and whose degrees have not been evaluated. You said that a commission would soon be formed for this purpose. I would like to ask now whether this has been done?

Dr Najafi: Yes, this commission has been formed. The major problem concerned students who had graduated in the Philippines, which we solved somehow. This commission is presently examining these degrees.

[Question] Do you mean that now, all students whose degrees have not been evaluated can go somewhere for this evaluation?

Dr Najafi: Yes, to the Organization for Student Affairs.

The Combining of Culture, Art, and Guidance

[Question] Certain sections of [the Ministry of] Culture and Arts were supposed to be included under the Ministry of Guidance. While this has not taken place, which of these two ministries is now

supervising culture and the arts, in particular, in the area of film making?

Dr Najafi: Presently, the Ministry of Culture and Higher Education is supervising these areas, as before. Before the issue of the combining of related units to be separated from [the Ministry of] Higher Education is ratified by the Cabinet, this supervision will be the responsibility of the Ministry of Culture and Higher Education. Of course, in this area also, certain proposals have been offered which are now being studied. The combining issue has also reached its final stages. God willing, it will be offered to the Cabinet shortly to be ratified and implemented.

Abolition of the Field of Music

[Question] My last question is: What decision has been made about the fields of the arts and what fields are to be abolished?

Dr Najafi: Concerning the fields of the arts, music has certainly been ommitted. As for other fields, the art group of the headquarters for the cultural revolution is making studies and plans. After the plans have been prepared and approved by the headquarters for the cultural revolution, they will be implemented. Of course, music has been abolished as an official educational field and other fields, such as theater, cinema, and sculpture, remain, but no decisive plans have been made in this regard.

9593

CSO: 4640/56

PROVINCES DRAFTING DEVELOPMENT, BUDGET PLANS

East Azarbaijan

Tehran KEYHAN in Persian 10 Nov 81 p 3

[Interview with chief of Plan and Budget Organization]

[Text] Tabriz - During an interview the chief of the East Azarbaijan Plan and Budget Organization announced: 700 developmental and production projects throughout the province will be ready for operation by the end of the current year. Furthermore a thousand other developmental and production projects are already being implemented.

A total of 12 billion rials credit has been allocated to implement the aforementioned plans.

While making this announcement, he added: The aforementioned plans include construction of educational units, rural roads and postal offices, provision of drinking water in the villages, creation of health clinics, construction of exercise facilities and field recultivation. Twelve billion rials credit has been allocated for these plans during the current year, 4 billion rials of which has been absorbed so far.

Concerning East Azarbaijan's budget and the level of its absorption during the current year, the chief of the province's Plan and Budget Organization said: In the current year, of the total of 54 billion rials credit allocated to this province, 25 billion rials have so far been absorbed by current affairs and developmental plans. We hope that by the end of the current year we can absorb 80 percent of it. At the end of this interview he pointed to the changes in the kinds of programs in the coming year, and said: Next year we will strive to attain industrial and agricultural self-sufficiency, and thus priority will be given to agricultural production plans, such as building deep and shallow wells, construction of canals and dams, and the provision of water for agriculture.

Esfahan Province

Tehran KEYHAN in Persian 10 Nov 81 p 7

[Interview with Governor-General Gholam 'Abbas Zare']

[Text] Esfahan - KEYHAN correspondent - A meeting of the Administrative council of

Esfahan Province was convened with the presence of Gholam 'Abbas Zare', the governor-general, and other provincial administrative officials. In this session Sa'id Tehrani, chief of the Plan and Budget Organization of Esfahan Province, pointed to the country's current and developmental budgets, and said: The government intends to submit to the Majles a supplementary bill to this year's budget. The most important point in this bill is economizing in the expenditures of organizations, where a reduction between 10 and 13 percent is anticipated. Due to the imposed war, the economic blockade, a lack of petroleum sales, a lack of export of goods such as pistachios and rugs, and a reduction in the domestic income, the government is faced with a budget deficit. Therefore provincial budgets also have deficits. The budget of Esfahan Province will drop from 40 billion to 27 billion rials. Thus expenditures of the departments must be reduced in every way possible. In this connection, we can use solutions such as tax increases, increased non-petroleum exports, carrying out works by direct administration, preventing hiring, impelling commercial bank credits into developmental and production plans, and cutting off payment for employees' special assignments and overtime. During another portion of his speech the chief of the Budget and Plan Organization of Esfahan Province pointed to the problem of primary materials, and said: During the year 21 March 1981-20 March 1982, such foreign primary materials as we have will be consumed, and in the coming year we will face the problem of a shortage of primary materials. Because we cannot import primary materials, we must plan and make projects on the basis of domestic production. He added: The present budget of the government of the Islamic republic differs completely from that of the past, and the administrative apparatuses are free in their own planning and budget. Therefore these organizations must send their plans to the plan and budget organization as soon as possible so that after examining them decisions can be made quickly. It should not be left unsaid that development plans should comprise mostly productive and employment-creating work.

Then Ebrahimi, general director of the Treasury of Esfahan Province, turned in his speech to problems of the tax plan, and said: We cannot collect taxes as we should due to a lack of personnel and implementing resources. The people of Esfahan, the class of bazaar merchants in particular, are not willing to pay taxes. This is true in circumstances where a merchant will do 30 million tumans of business with a factory during the course of one year, but is not willing to pay 13,000 tumans of tax.

Then Moqbali, general director of the Education Department, concerning the budget increase and greater economizing in departmental expenditures, said: Housing loans should not be given to employees, and employee special assignment and overtime pay should be cut off throughout the departments. He added: In some departments employee inflation meets the eye. The Esfahan Steel Mill is an example, while the Education Department is facing a personnel shortage. If the reconstruction bill is implemented, a number of the government's financial problems will be solved.

In this session a representative from the Health Department also made a short speech in which he criticized the departments, and said: Some of our departments are absolutely useless, such as the Red Crescent which has a 2.5 billion rial budget and accomplished nothing. He pointed to the situation of government employees, and said: There are employees in the Health Department who do not do a lick of work from dawn to dusk, and yet each one receives a salary of about 8,000 tumans. Now that their retirement has been requested, the Ministry of Health has paid no attention.

Dadkhah, general director of the Labor Department, pointed to the country's self-sufficiency, and said; Each province's planning must be done by that province's own officials, and no one should wait for orders from Tehran. In this connection, we must give the underground reserves our attention. Unfortunately however, we are witnessing them being closed one after another. He pointed to the Mutah gold and lead mine, and concluded: Esfahan possesses such enormous mines, but no use is made of them.

Operations of Gilan's Departments

Tehran KEYHAN in Persian 10 Nov 81 p 9

[Interview with Governor-General Nosratollah Shadnush]

[Excerpts] Rasht - Nosratollah Shadnush, Gilan governor-general took part in an exclusive interview with KEYHAN's correspondent, and spoke about the operations of Gilan's departments, agricultural and rice problems, fishing, loans to employees, creation of a slaughterhouse, closure of the Sasat fruit and vegetable market in Rasht, fuel supply, construction materials, and physical recreation in the province.

In reply to the first question concerning the grave responsibility which the martyrs and self-sacrificers of the revolution have placed on the shoulders of officials, actions taken towards lifting the burden of problems from the shoulders of the oppressed. That is to say that today arrogant persons do not exist in the ruling apparatus. Instead, from the president on down to the other officials who were put in charge of affairs after the revolution, all are oppressed types, and are certainly striving for the sake of God to liberate the oppressed and to eliminate disorganization. Of course you are aware that in this province we face greater and more extraordinary difficulties than those in other provinces. That which the U.S. and anti-people groups have been doing in this province could be a very effective factor preventing us from accomplishing much of our ordinary or developmental work. Nevertheless we have even accomplished our work in this area. But I wish that we had fewer problems like those of the U.S. groups so that we could deal more with the development and welfare problems of the region. However, by God's will there have been activities in this area. The statistics of the activities carried out are noteworthy. Even in this area authority has been delegated to the governors so that they can carry out any developmental job of public benefit throughout the villages. They take the budget for it without any restrictions or conditions. We are even expecting that the Islamic Societies in the villages will cooperate with governor's offices so that work can be accomplished more quickly.

The Gilan governor-general continued his talk, adding: Another problem was that of concluding contracts, which was done by the Technical Office, the Technical Deputy's Office and the Development Deputy's Office by means of inquiry and direct administration. This occurred in the field of developmental works such as road-building, health centers, schools and buildings connected with other institutions, water-piping and agricultural matters, more than 150 projects in all. We quickly concluded contracts for them with the concerned departments in a direct administration form, and delegated authority to these departments.

Dissemination of Islamic Culture in Gilan

The Gilan governor-general, concerning cultural work in the region, stated: As far as cultural work is concerned, the portion placed on our shoulders was that of enlightening the people concerning the issues and those lying claims made by the groups. The province's media observed that even I have accepted the major part of this mission, in the form of speech-making. I attended various places and various city-regions throughout the province on special and ordinary occasions, and enlightened and informed the people concerning these issues. From another point of view, what sort of people have these groups placed in front of their traitorous bullets? But the "always-awake" people became acquainted with the actions of the counterrevolution's mini-groups. In fact, the people at the present time have changed a great deal from the way they were in the past. They have the complete acquaintance with these issues that they should have. At the same time a critical part of this mission is on the shoulders of the media. In this context, radio-television, which is an effective agent this area from the standpoint of both vision and sound, can accomplish a lot. We hope that this apparatus can carry out this task in a more desirable fashion.

Solution to the Rice and Fishing Problems

A question was asked about the region's problems: You know that Gilan's two most important problems are rice and fishing, and that these two problems have always created difficulties for the farmers and fishermen, both of whom are from the laboring stratum of this region. Is any decisive solution to eliminate these two problems being considered? The governor-general replied:

Decisions have been made in the area of fishing in order to prevent illegal fishing. This is because fishing has one condition, which must be explicit: the fish stocks should not be destroyed. In this way this God-given resource will remain in the future for the region's toiling people. This is because the fish resource should be a livelihood for the people. However, one group has come in excess, and they are attacking the fishery. In general they catch so much that the danger of a non-existent fishery in the future threatens the region's people. Naturally one of the people's means of livelihood would thus be closed off. Therefore we expect the fishermen and the people to aid the government in order to preserve this life, this livelihood and income. They must not permit persons to undertake fishing without observing fishing standards and regulations. A reminder is necessary that the government has made investments in this area and has worked so that, God willing, the fish protein reserves will have a rich yield in the future. The benefits resulting from this work are in the pockets of the fishermen brothers. That is to say, if the government sets forth the fishermen's benefit. We hope that they will cooperate with us and never permit a profiteering and unjust group to disregard the results of their labor. On the same subject, he added: The government has also made necessary provisions in this area. With respect to fishing equipment for this oppressed and toiling class, it is preparing facilities. However, if persons do not wish to observe standards and regulations, we will certainly deal with them decisively.

However, with respect to farmers, just as you have observed, the government's whole effort was to prevent anyone from being overcharged. In this area we promised our farmer brothers that in return for offering their goods to the government, we would try our best to put those resources we had at their disposal as quickly as possible. The policy of the government and the nation did not call for the price of rice

rising higher than this. If it had gone higher, it certainly would have had a hand in the inflation of the prices of other goods, and would have created an unfavorable situation. Our farming brothers have made sacrifices up to now and have always, everywhere, stepped in to defend the Islamic republic. This class and the worker class have sacrificed all they have in order to preserve their honor. Once again we expect them to cooperate just as they have in the past. We also believe in and are committed to placing the maximum amount of facilities we have at the disposal of the worker, farmer and rural brothers. At the same time we have planned a budget such that the government will purchase rice from the farmers fairly. Barley and threshed unmilled rice will also be purchased from the farmers by the government, so that they will not suffer any hardship. As to supplying necessities, it has been decided that we will supply farmers with that equipment which we can concentrate throughout the villages, without wasting time and under suitable conditions.

9557

CSO: 4640/53

IRAN

FOLLOWERS REPORTED LEAVING AYATOLLAHS WHO BACKED KHOMEYNI VOTE CALL

London IRAN PRESS SERVICE in English 26 Nov 81 p 10

[Text] Reliable sources inside Iran report that two of the most prominent Shi'ite theologians, Ayatollahs Golpayegani and Marashi-Najafi, continue to receive protest letters over their advice to their followers to vote in the presidential elections.

The two ayatollahs have lost many of their followers and their donations. Last month, on orders from Ayatollah Khomeini himself, 20 million rials was paid from the treasury to Ayatollah Marashi to meet the expenses of his madrasseh (theological school). This shows how much his receipts from the faithful have fallen as a result of his decision to side with the regime.

One protesting letter writer wrote also to a contact of IPS, "I was greatly shocked when Marashi's announcement on taking part in elections was broadcast by Khomeini's radio. At first I thought the radio was faking the announcement, as the mullahs' radio often does. But after making enquiries I learned that Agha (the ayatollah) had indeed told us to vote. That was the last straw. I no longer imitate (follow) him. I said so in my letter. Many of my relatives in Rasht have also written to him. We believe by participating in the elections Agha endorsed a basically corrupt and un-Islamic government. I argued that long before the election day it was brighter than the sun (clear) that Khamenei was to be brought out from the (ballot) box. Agha's call to vote was in effect advice to us to give credibility to a corrupt election. Marashi also supports claims that what Ayatollah Khomeini has created for us is a real Islamic government. We cannot accept it because even with our limited knowledge of Islam we can understand that Khomeini is a shameless liar who has gathered around himself other liars. We are not fooled by turbans. We listen carefully to all the speeches which Khomeini and his accomplices make. They tell us lies, very clear lies. We have eyes and we see their deeds, and compare them with the holy texts. The result is horrible."

He went on to say: "There is nothing new in abusing religion to further one's personal and political ends. Our own literature is full of vivid examples of how corrupt mullahs exploited people's religious sentiments to satisfy their own personal greed and lust. No doubt Khomeini originally pretended to be a man of God. But we read his hand very soon. What makes us angry is how ulema like Ayatollah Marashi were trapped. How can anybody like him not know that Khomeini is a liar and a blood-thirsty maniac who so blatantly uses the weapon of blasphemy (chomagh-e-takfir) against true Moslems?"

He concluded by saying: "As practicing Moslems we believe that there could never be an Islamic government in the absence of an infallible (ma'ssum) being. Khomeini says that the clergy can deputise for the infallible. Well, he is wrong and countless theologians have written texts that prove him wrong. But Khomeini does not want to admit he is wrong. On the contrary he uses the sword to have his say. What he does is against Islam. Many faithful are forced to doubt the holiness of Islam. If Khomeini continues his rule, Islam will be hurt because people are bound to react against him and in the process damage will be done to Islam unless other ulema come forward to say clearly that Khomeini is a heathen. In the meshrutiyat (constitutional uprising) the ulema realised the essence of changing times, and supported secularism and disowned the mullah who was like Khomeini (Shaikh Fazlollah Noori). We expected Ayatollah Marashi to come forward and disown Khomeini. Many theologians have done so but not him."

CSO: 4600/146

PAPER CLAIMS FAHD PLAN WAS 'BUTCHERED' IN IRAN

Tehran TEHRAN TIMES in English 28 Nov 81 pp 1, 2

[Text]

...FINALLY the 28th Conference of the Arab Heads which was held for the approval of Fahd's American-designed plot in Fez concluded amidst notorious defeat.

Perhaps, such a defeat was unexpected by most of the political observers as the plans brought up by each Superpower in different regions, could be defeated only through the opposition of the other. And the Fahd plan was one of those rare plans which both Superpowers (U.S. and USSR) had reached mutual agreement on and yet it failed!

In the past, besides the Superpower opposition, another factor which could also have brought defeat to a plan centered on the Middle East crisis was the opposition of PLO Head, Yasser Arafat, and the Al-Fateh Organization.

Why, then did the Fez Conference end in defeat despite the open support of the U.S. and USSR and the majority of the Arabic countries and above all the approval of the plan by the sold-off Yasser Arafat?

When all the grounds had been prepared for a corrupt agreement through a carefully designed program, when the illegitimate child of America and Zionism was going to gain political recognition after tens of years of massacre, when all were either supporting the plan or were silent and did not have the guts to express their views, the storming call of the great leader of the world's Moslems was heard from Tehran who clarified the aims of this treacherous plot in one of his most historical lectures in which he said that those who had designed, or supported the plan were betraying Islam.

Following the Imam's speech, with his special talent, Ayatollah Montazeri invited the Iranian nation to a massive demonstration against Fahd plan and the great unique Iranian people responded to his invitation en masse.

The Fahd plan suddenly faced 30 million clenched fists raised against it in Iran. Such massive

opposition was followed up by demonstrations of the noble Palestinian nation and organizations along with South Lebanon Moslems who also voiced their opposition.

Afterwards the heads of the Steadfastness Front finding the grounds suitable declared their opposition to the plan as well.

We never wish to undermine the opposition of the Steadfastness Heads and such an opposition was duly significant and precious. But, the fact is that the determining role (in annulling the plot) has to be ascribed to the prophet-like speech of Imam Khomeini who is now ruling the hearts of the world's Moslems and to the 36-million demonstrations of the Iranian nation.

By the way, the defeat of this plot will have great impact on the future events in the region. The American lackeys who had shown up in the political and decision-making scenes recently, had to retreat to their hide-outs once again. The U.S. "Bright Star" military maneuvers could not bear any fruit with regards to the Iron-like volition of the Moslem nations.

Millions or even billions of dollars spent for propagation on the Fez Conference went with the wind. The mercenary and sold out Arab heads were unmasked before their nations. The U.S' new gendarme in the region, Fahd, failed in his first role and left the U.S. without any gendarme in the region. Israel which was trying to smear the real (not the fake) opposers of the plan through its ostensible opposition was severely humiliated and most important of all, the determining role of the Islamic Republic and its great leader as the strongest political factor in regards to the Middle East affairs and the Islamic world was revealed to the Superpowers and their mercenaries. Furthermore, the victory of the Moslem nations in a great experience (thwarting the Fahd plan) took forward the tide of the presence of Moslem people in the arena of a serious and long struggle against the Superpowers and the Zionists.

CSO: 4600/147

MULLAHS SHAPE UP FOR NEW POWER STRUGGLE

London IRAN PRESS SERVICE in English 26 Nov 81 pp 1, 2

[Text] Signs of a power struggle between two groups of the clergy, the one led by President Ali Khamenei and the other by the influential former premier Ayatollah Mahdavi-Kani, proliferated in Tehran during the past week. It centered around the allocation of powers and the government's bid to break up the business interests which support the rival group of mullahs.

Ayatollah Khomeini, meanwhile, embarked on yet another balancing act as the two sides showed their hands. He favoured one side and then the other in approving various legislation or changes, and then warned clerical visitors that the divisions in the clergy were very deep and constituted a great deal of potential danger.

Signs that Mahdavi-Kani's standard was still flying high came with the professions of attachment to Islamic principles in regard to the private sector by radical government leaders after Khamenei had had talks with Khomeini last week. Mahdavi-Kani and other leading cleric in his camp, Majlis Speaker Hashemi Rafsanjani, had made it clear they felt the business interests which are their main support should be given proper consideration.

Then at the beginning of this week came the announcement that Mahdavi-Kani and the Militant Clergy Association which he heads were to have their control of revolutionary committees and guards formalised. Mahdavi-Kani was instrumental in setting up these revolutionary situations at the outset of the uprising, and has retained his influence over them since. This gave him and the "power mullahs" who have control of the Majlis the basic power of the administrative system, since they also included the Minister of Interior in their orbit, and the new announcement seemed to show that Khomeini supported the institutionalising of this status quo.

Under the set-up announced this week the committees become official organs of the government and will coordinate their activities with other government departments; those in Tehran will come under the central committee; and the provincial committees will have independence, in which only the clergy can interfere. The Militant Clergy group which Mahdavi chairs will control the choice of mullahs who must head each committee. Importantly, too, control of all mosques in the country is also given to the Militant Clergygroup, giving them control of two key sections.

Although the revolutionary guards corps was recognised under the Islamic constitution, the committees had hitherto not the same status. The guards will now be more formally integrated into the system through the committees and will have full recognition alongside the armed forces. Sources suggested they would take over policing duties in Tehran, for example, thus doing away with a force which has been widely criticised for its failure to live up to the demands of the revolution. Many leading police officials have been replaced recently.

Control of the judiciary was also formally handed over to revolutionary justice chiefs Mussavi-Ardabili and Rabbani-Amlashi, but Iranian observers said the judiciary had always been a separate arm, and was relatively unimportant in comparison with the executive controlled by Khamenei and the administrative sector under Mahdavi-Kani.

But the publication of the bill to nationalise foreign trade, even though it provided for internal distribution to remain in the hands of the private sector, reflected the fact that Khamenei and his IRP hardliners were still pressing on with their policy to undermine the other mullahs' power.

The rejection of plans for new privately-run factories, hitherto seemingly viewed with favour by officials, together with a campaign against leading businessmen, also reflected the government's bid to press on undaunted with its aims. When the foreign trade nationalisation bill was announced as ready for approval on Tehran radio on Tuesday it was immediately followed by a virulent commentary questioning the morality of leaving domestic distribution in the hands of "economic terrorists." The radio and television are in the hands of Khamenei hardliners.

Reports from Iran also spoke of widespread arrests of wealthy businessmen. True to form, many of these were Jewish, but prominent Muslims were also picked up on charges of profiteering. Reuter reported from Tehran that one Jew, whose name was given as Pakeyzegi, had been publicly lashed and fined the equivalent of 1.2 million dollars.

It was clear that there was an all-out blitz on the remaining private sector by Khamenei and other activists committed to what is in effect the communisation of the country. Since there is not yet any network of cooperatives that can take on the job of running or setting up new businesses, the government rejection of efforts by private interests who want to resume or extend their activities on the grounds these must be run by local cooperatives, can be seen as a blow aimed at their rivals.

If Tehran reports are true that Khomeini allowed it to be known he had approved the foreign trade nationalisation bill so the Majlis could be encouraged to approve it, in spite of the fact that many members were known to be opposed to much of it, observers say it can be surmised he is behind the radicals in their efforts to rid the private sector of its influence.

But nobody seemed sure of where the ayatollah really stands. It was all a big guessing game again, as the public waited to see which way the struggle between the two factions would go in the weeks ahead.

CSO: 4600/146

YOUNG SHAH SAID BEHIND COALITION PLAN

London IRAN PRESS SERVICE in English 26 Nov 81 p 3

[Text] Talks between exile opposition leaders on the possibility of forming a coalition to work together against the Khomeini regime received an unexpected fillip this week when sources close to the negotiations said the new Shah Reza the Second had given his support to the idea.

The sources told IPS that the young monarch had assured the negotiators that he would accept their propositions, which include a national vote on the system under which the people of Iran wish to be governed in the future "in the framework of the 1907 constitution."

The first aim of the coalition would be to get rid of the present regime in Iran and form a council which would prepare the way for a referendum once law and order had been properly restored. While the 1907 constitution provides for the monarchy, it contains conditions for a change in the system if the people wish, sources close to the Paris negotiations point out.

The reported agreement of the Shah to the proposals is important, since Admiral Ahmad Madani, in a recent statement which has stimulated considerable interest among exile communities and has given the discussions on cooperation a more solid basis, became the first confessed republican opposition leader to concede a willingness to accept the monarchy if the people in Iran vote for it. The coalition council would guarantee the right of every group to have a platform to put their case to the people after the return to Iran.

The negotiations seemed to have become stalemated two weeks ago, though sources close to veteran statesman Ali Amini and Ayatollah Mehdi Rouhani, a Paris-based religious leader, who have been the go-betweens, said then that the plan had not been dropped.

Talks have continued since, with Madani having paid a visit to London to talk to a former head of the late Shah's armed forces in General Fereidoun Jam, who is said to have considerable following with officers both inside and outside Iran but who until now has remained aloof from politics. It was hoped to add Jam's name to the impressive list of military men ready to support the coalition, who include another of the Shah's top military men in Gholam Ali Oveissi and Jan's predecessor, General Bahram Aryana. Madani was reported hopeful after talking to Jam, but sources close to Jam have not confirmed that he will come in.

Shahpour Bakhtiar, who heads the best known of the opposition groups, the National Resistance Movement, and other "centrist" figures like Hassan Nazih, Ahmad Bani-Ahmad, and Moghadam Maraghei are said to have taken part in the talks or to have offered support to the coalition idea.

A number of people considered of standing inside Iran have also been canvassed about the project and are said to have given it approval.

Some discussion has also apparently taken place on possible approaches to the Mojahedin-e-Khalq to join the coalition, Paris sources said. Mojahedin sources have not commented on the project. Their propaganda has tended to make even the centrists the target of their abuse in the past. While the Mojahedin's association with former president Bani-Sadr presents the biggest obstacle to most of the exiles talking to them.

CSO: 4600/146

'HONEYMOON' BETWEEN TEHRAN, PALESTINIANS SEEN ENDING

London IRAN PRESS SERVICE in English 26 Nov 81 pp 3-6

[Text] Some Tehran sources say the cries of "Execute Arafat" by crowds taking part in the rally called by the regime in Tehran last week were not premeditated by the organisers. Part of the mob insisted on marching on the Palestinian embassy, and some observers say rally stewards tried to stop them shouting against Arafat personally.

But the honeymoon between the Tehran regime and the Palestinians had been showing signs of approaching its end for a long time. The support given by many sections of the Palestinians' organisation to the Mojahedin and other leftists who have been opposing the mullahs was obviously one of the final straws. But the continued interference of the Palestinians in the internal affairs of the Islamic republic had built up a resentment against them that was sure to explode some time, Iran watchers point out.

The regime showed its ability to recognise the building up of feeling of this kind when it turned the rally into an outpouring of traditional Iranian anti-Arab feeling that helped give public support for the mullahs' regime a boost.

Even some senior Iranian officials had begun to openly criticise the Palestinians by this time, however. Khomeini himself had implied criticism of Arafat's preliminary welcome for parts of the Saudi Prince Fahd's Mideast peace plan when he raged, "Anyone who does not oppose the plan is a traitor to Islam." And Majlis Speaker Hashemi Rafsanjani described Arafat as "our ignorant friend" in a sermon at Friday prayers.

Radio and newspapers had also carried some attacks on the Palestinians the previous week.

The divisions between the Palestinians themselves had also begun to be reflected in the attitudes taken by their Iranian proteges. Those Palestinians now closest to the regime are those of the left, like marxist Popular Front for the Liberation of Palestine leader George Habbash, whose organisation has links with the Fedayeen-Khalq majority section which is supporting the Khomeini regime. The PFLP also is close to the pro-Moscow Tudeh party which is one of the regime's main pillars of support. All these groups are interlinked with other communist movements in the Arab world.

The Syrian-backed As-Saiqa group, however, played the biggest role among Palestinians in organising the uprising in Iran. In this respect it became the main agent of the Syrian regime, which is dominated by a Shi'ite president in Hafez Assad and by a Shi'ite ruling class and which has been the mullahs' regime's leading foreign supporter. Some Palestinians also served with the mainly Lebanese Al Amal Shi'ite organisation with which the late Mostafa Chamran was so long associated, and which trained so many of the young Iranian leftists who returned to their country late in 1978.

Arafat had on several occasions been tempted by the late Shah to abandon his anti-Tehran position and open relations with his regime. In 1972 Jafar Raed, the Iranian ambassador to Saudi Arabia, approached the Palestinian leader. The Shah also raised the matter at the Morocco Islamic summit. Arafat was reported to have been in Tehran on at least two occasions in the early 70s, and in 1975 plans were finalised for the PLO to open an office in Tehran.

But the office was never set up and Mansour Ghadar, the Shah's ambassador in Beirut and reportedly a top security official of the regime, is thought to have been responsible for persuading the Shah that giving a shop window to those who were training his opponents to fight against him was imprudent. Relations between Moussa Sadr, the Iranian leader of Lebanon's Shi'ites also deteriorated at this time, with further serious implications for the Tehran regime. With hindsight it is easy to see this as a crucial failure of Iranian diplomacy; and its consequences can now be clearly seen.

Immediately after Khomeini took over in Iran Arafat arrived in Tehran with a vast entourage, to be given a hero's welcome. He spoke to a big crowd from the balcony of the former Israeli embassy, which has handed over to the PLO as the centre for their own diplomatic mission, with Khomeini's son Ahmad at his side. An estimated 10,000 Palestinians poured into Iran, and the appearance of some of these in administrative offices pointed to the key role the Palestinians had played in helping organise the revolutionary system which executed and then consolidated the takeover.

As a reward Arafat was reported to have been paid 60 million dollars in cash and given permission to open an office in the southern city of Ahvaz. After introducing one of his most efficient aides, Hani al-Hassan, as "ambassador" to Tehran Arafat went on a trip to Ahvaz, where he made thundering speeches in Arabic to excited ethnic Arabs who make up much of the population of Iran's southeastern province of Khuzestan.

This was Arafat's first error in the eyes of the regime, for Khuzestan had long been the home of Arab secessionists. On his return to Tehran he was told the regime had changed its mind about letting him open an office in Ahvaz. Arafat soon afterwards ended his first triumphant tour and went back to Beirut.

Hani al-Hassan set up office in the former de facto Israeli embassy building, streets were named after Yasser Arafat and the Palestinians, and they became involved in the running of the revolution.

The first signs of tension between the PLO and Khomeini's regime appeared in Nov, 1979, when Abdul Walid was dispatched by Arafat to mediate for the release of the American hostages. Khomeini, then in Qom, refused to receive the PLO representative, and an embarrassed Walid left Iran. It seems certain that Arafat had hoped to gain recognition from the Americans in return for his services as mediator for the release of the hostages. Khomeini robbed him of this chance, and this didn't go down well with the PLO chief.

Soon the economic crisis prevented Iran from paying the PLO further, and when Arafat's offer of mediation to end the Iran-Iraq war was turned down by the Iranian leaders relations began to show serious signs of strain. The Palestinians attitude to the war between Iran and Iraq also proved unsatisfactory to Tehran.

Regarding the Palestinian Movement as revolutionary, Khomeini was expecting it to adopt a "revolutionary stand" in the war, meaning a break with the traditional way of looking at things in the Middle East on Arab-versus-Iranian lines, in the same way he regards himself as being above "this pettiness, left in heritage by Satanic Western imperialism to divide good Muslims." Since Iran was in the right, Arafat, as a Muslim, was bound to support her. But Arafat failed his former allies.

Ordinary Iranians had also begun to be bitterly resentful of the Palestinians' interfering role, especially in leading and training the often-violent revolutionary guards. Naive people also blamed the Palestinians for the executions of many prominent people of the former regime. Some senior mullahs were also fearful of the Palestinians' true intentions. Ayatollah Monatazeri is known for his dislike of Arafat and his entourage, whom he has accused of having sold themselves out to the Americans.

IPS has previously reported attacks on individual Palestinians in Iranian cities, a number having been killed by unidentified assailants. IPS also reported some months ago that two Palestinian members of Khomeini's bodyguard had been executed for plotting to assassinate him.

The latest steps down the ladder towards an open rift between the Palestinians and Tehran have been the disclosure that the Iranians have been buying arms from Israel, and the qualified support given by Arafat to the Saudi peace plan. Perhaps there is an element of tit-for-tat in Tehran seizing on Arafat's attitude to the Fahd plan as part of its campaign against it. And having deflected attention from its own faux pas with Israel, it may yet not press enough to force a final break.

Last weekend the Saudi radio broadcasted a remarkably abusive riposte to attacks from Tehran, using language rarely used between two nations. It called the Iranian leadership "insane" and said it had surpassed all records, ancient and contemporary, in killing off its own people, including women and children.

That should have been a sign to Tehran that it had already gone much too far for Riyadh. And if other Arab states react similarly to abuse from Tehran there could be a general closing of Arab ranks against Tehran, with endless effect, some observers point out. One could be an early disillusionment for Khomeini over his dream of spreading Islamic revolution.

CSO: 4600/146

DOMESTIC GOALS SEEN BEHIND ANTI-FAHD-PLAN RALLY

London IRAN PRESS SERVICE in English 26 Nov 81 pp 6-7

[Text] Iranian observers saw the need to try to whip up popular feeling to boost the image of the regime as the prime motive behind last week's rally in Tehran which demanded the heads of Saudi King Khaled and Palestinian Liberation Organisation leader Yasser Arafat.

Anti-Arab sentiment has always been a ready lure to Iranians' feelings of nationalism and bundled up with conventional anti-American, anti-imperialistic ingredients it provided the right blend for a rousing public "tone-up" which would help take people's minds off their problems, experienced Iran watchers felt.

The authorities in Tehran decided there was a need to hold a rally as long ago as in the first week of November. At one time they planned one to protest against the presence of U.S. forces on exercises in the Mideast region.

On another occasion they decided to have a rally "to prove to the Americans that the people are still on the scene and that counter-revolutionaries have no chance to overthrow the Islamic theocracy," as a Tehran radio commentator put it. Hanging judge Khalkhali was in favour of a rally against the West Germans; while, finally, Ayatollah Montazeri came up with his plan to organise a march to denounce the Fahd plan.

The loss of face involved in the failure to rouse anti-Saudi feeling at Mecca and Medina during the pilgrimage, as well as displeasure over Saudi Arabia's continued foreign policy successes in relation to peace initiatives and oil agreements, were obvious factors in making Riyadh the target for attacks.

But the continuing history of splits between factions in the regime--the latest between president Khamenei and the resigned premier Mahdavi-Kani--and the need to show the Islamic republic is impregnable were other important reasons for display of public solidarity. One could add the heavy toll of leading rally organisers among the many assassinations in recent weeks, and the failure of the revolutionary committees to get the promised millions to religious gatherings and passion plays in the important Moharram mourning period, as other incentives to put on a show. And there is always the need to answer the continuing rumours of opposition forces abroad coming together to try to topple the regime.

The disappointing response to the call for massive observance of the Moharram ceremonial was of considerable importance. For the first time since the beginning of the revolution the mullahs had decided to hold not purely political but more traditional ceremonies for Moharram. Khomeini had told the faithful: "Go to religious gatherings this month and weep a lot--the more weep the higher your reward in the world hereafter."

Despite Khomeini's express wish, turn-out at religious gatherings during Moharram (which for Shias is more important than any other religious occasion) was so low that all the mullahs were embarrassed.

Anyway, by Nov 13, plans were laid to bring factory workers, employees of nationalised firms and civil servants with members of their families to march in Tehran. The route was either to be from the centre of the city to the main cemetery, or from Tehran University to the Azadi Square; at that stage that had not been decided, as were several other details.

On the following day the rally organisers were not quite sure what the theme would be so they could not tell their painters and calligraphers what to write on placards.

Speech writers and those who coin slogans were also still waiting for orders. On November 15 Khomeini delivered his second speech after his three weeks in seclusion. He devoted half of his speech to warning clerics against divisions within their ranks and the other half to denouncing the Fahd plan. Rally organisers now had some clues as to the best theme. Then Montazeri came up with the suggestion for the march to condemn the Fahd plan.

Reports from Tehran said that the turn-out was unimpressive despite efforts by the authorities to transport large numbers of Afghan and war refugees into central Tehran. Officials tried to save face by blaming unexpectedly bad weather for the small number of marchers.

An interesting news item broadcast by Tehran radio on Nov 17 was, however, encouragement for rally organisers. The Majlis has approved a bill allocating 50 million rials to shopkeepers and other tradesmen whose business premises have been damaged by the enemies of the regime. Shops belonging to zealots who organise the rallies have been prime targets for counter-revolutionaries in recent months.

CSO: 4600/146

FAILURE OF SOME EXILES TO JOIN ANTI-KHOMEYNI STRUGGLE CRITICIZED

London IRAN PRESS SERVICE in English 26 Nov 81 pp 10-11

[Article by Teezbin]

[Text] Iranians certainly seem to have retained their tribal mentality. That is if reports are true that Admiral Ahmad Madani, the exile opposition leader who is actively involved in trying to get a coalition of groups together to give a big new move to get rid of Khomeini and his regime, has been to London to try to persuade former military chief Fereidoun Jam to add his name to the bid.

For Jan, as well as having lived away from Iran several years before the revolution, has certainly risked being considered something less than a patriot by his continued refusal over nearly three years to try to help save his country from the fate that has beset it.

Time after time people have asked him to join their organisations or lend his name to their efforts on the grounds that he still has a big following among the officer corps in and outside Iran. This, they said, would help give people the maximum confidence in the opposition groupings.

And it seems extraordinary that after all this time Iranians can look up, as tribal people do to their khans, at someone who has made no effort to live up to the duties that his previous responsibilities under the Shah demand of him. "Honest, clean," as Iranians keep reiterating about their political and business figures as if that is the most rare quality to be found among their compatriots, Jam may be. But does that really matter if he prefers to be buried among Pakistani labourers in a London Muslim cemetery rather than spill his blood on his native soil in the greatest cause of all-his country?

It may be a little invidious to single out Jam among so many generals and others who have ignored the call to go to the succour of their countrymen, even if only to an office where they could help to organise or influence events. But he does seem to reflect a disturbing inability among Iranians to face up to the truth about themselves and their situation.

There must be at least 100,000--at a conservative estimate--of able-bodied, fighting-age Iranians in exile in the West, some of them well-trained military men. There is plenty of money among the exiles, too, to pay for the organisation of a pretty sizable armed force. If they marched into northeast Iran who would stop them? They are Iranians, after all, not an invasion force of a foreign power.

Isn't it extraordinary that such a meagre force of often untrained, badly armed and even unintelligent young Iranians has managed to deal effectively with every attempt inside Iran to produce some change in the oppressive system that has been installed? Yet the Shah's great apparatus collapsed like a house of cards and those who made up much of its foundations are still around in the West. Surely this must give them food for thought. And must provide for those who are setting themselves up as opposition leaders a real incentive for them to forget petty ideological differences and to unite in a sacred cause.

Listening to Iranians in exile it is often difficult to understand whom they regard as their worst enemy--Khomeini, Saddam Hossain, the Arabs in general, Yasser Arafat, Bani-Sadr, the British or the Americans? If only they can get that straight perhaps they can get to work to destroy the culprit and go home again. Only then, one would think, are those they blame for not supporting them likely to take an intelligent interest in the future of the Iranian nation, and to try to help ensure it accords with the genuine desires of the people.

CSO: 4600/146

POSSIBILITY THAT U.S. WILL RECOGNIZE PLO VIEWED

Tel Aviv HA'ARETZ in Hebrew 27 Oct 81 p 11

[Editorial: "Washington Feels Out the PLO"]

[Text] "The U.S. will continue to adhere to its present policy regarding the Palestinian Liberation Organization, according to which it will not recognize and will not negotiate with the PLO as long as the PLO does not recognize the right of Israel to exist, and does not accept resolutions 242 and 338 of the Security Council of the UN." This was written in the memorandum of understanding between the U.S. and Israel, which was signed as an annex to the interim agreement between Egypt and Israel on 4 September 1975. This section was formulated on the assumption which was then prevalent, that the Geneva peace conference would reconvene, and in anticipation of this, it was said in continuation that "the government of the U.S. will fully consult and will try to coordinate its position and strategy at the Geneva conference on this matter with the government of Israel."

This two-fold promise has been held by Washington officially already for more than 6 years as a permit for negotiations and recognition of the PLO if that organization would accept these two conditions. Yet, the American leadership has not waited for the PLO to properly accept them, but has initiated unofficial contacts with representatives of the PLO, the purpose of which was to motivate that hostile organization to recognize Israel's right to exist and to adopt the resolutions of the Security Council. But in all these contacts the American diplomats have come away emptyhanded. The PLO was not ready to enable the U.S. to get out of the obligations which it took upon itself in 1975.

The constant refusal did not deter the men of the State Department; many of them consider the obligation a nuisance and a stumbling block, and they are trying to exert pressure on the White House to persuade it that the PLO must be brought into the political process.

It is not necessary to conclude from what President Ronald Reagan said, in an interview published in Beirut, that he has already been persuaded of the correctness of their claims. But one gets the impression that he tends to believe that the Saudis will be able to play a role in the campaign to persuade the PLO that it should cease its opposition to accepting conditions which the memorandum of understanding set as requirements for recognition. At the same time, Reagan has decided not to settle the Palestinian problem until it does recognize Israel's right to exist, and from what he said to the interviewer, it sounds as though he does not recognize the PLO as the exclusive representative of the Palestinian people.

Pronouncements by the president of the U.S. have not always been notable for their clarity, especially on international matters. It is clear from them that he is not as expert in these matters as he is on domestic economic policy. This time, and in a matter which particularly affects us, it seems that he was reminded of Washington's campaign only after it was made clear to him that he had gone too far in the beginning of the interview.

There is no doubt that many American diplomats--those who are serving now as well as those who have left the foreign service--are making great efforts to communicate to the White House that it must seek a way of dialogue with the PLO, and the interview of Mr Talcott Selye proves this. The prediction of the man who served as American ambassador to Syria, that the White House would seek, within a year or sooner, a solution outside of the Camp David framework, was intended to pave the road to this end.

Israel is not exaggerating if it expresses concern over this trend. But we will not take lightly the campaign against American recognition of a terrorist organization. Let us not grant it approval for the takeover of Jordan.

7075

CSO: 4423/37

FINANCE COMMITTEE SAID LIKUD'S WEAK POINT

Tel Aviv MA'ARIV in Hebrew 11 Oct 81 p 5

[Article by Yovel Elitsur: "The 'Soft Belly' Of Likud"]

[Text] What happened on the new moon after New Year, as the session of the Finance Committee of the Knesset, proved that the Alignment, with relative ease, can bring about the fall of the Likud government.

All it has to do is concentrate a relatively small force on a narrow front which can easily be breached: the Finance Committee.

In recent weeks it has been repeatedly shown that this committee is the 'soft underbelly' of the present government. It is not only a committee having consultative authority, but is almost an executive body, which each year must issue approval for 450 laws and amendments, without which no government could legally fulfill its role.

The Israeli legislator has become enamored of the formula: "The Finance Minister, with the agreement of the Knesset Finance Committee, is authorized...." This means that without the approval of the Finance Committee, the hands of the finance minister tied in most areas.

Likud people immediately feared that the Finance Committee could become the weak point of their regime, and so they tried to repair the situation during the days of the "battle over committees" at the beginning of the tenth Knesset. Ultimately, the coalition was forced to accept a committee structure which for it was undesirable: it has 11 members on the committee, including Chairman Shlomo Lornay, opposed to 10 members of the Alignment.

Not only is its shaky majority on the Finance Committee of concern to Likud: not only is the opposition faction on the committee composed of members of the Alignment, but Likud has been forced "at its own expense" to allocate three positions to its partners in the coalition; in addition to the chairman, a member of Agudat Yisrael, a second member of Agudat Yisrael (Avraham Shapira) and two members of the NRP (Aharon Avtavi and Avraham Melamed), the last of whom has more than once proven that he will not dance to their tune.

Also, the Likud representation on the committee has not been a team on which the government can depend: at the four sessions which were held since the vacation, no more than four or five Likud people have appeared.

An additional weakness, more fundamental than the others, stems from the differing interests within the coalition party. One gets the impression that Agudat Yisrael, and to a lesser degree the NRP, view their interest as different than that of the rest of Israel. Even during the last Knesset, the chairman of the committee, MK Shlomo Lorentz, knew how to include resolutions in which the government was interested in various allocations to institutions in which his party was interested. The majority of the committee was often forced, with clenched teeth, to vote for the whole package.

NRP members have shown a sensitivity to issues connected to the education budget. It is easy to understand the hard feelings of the NRP in the Knesset when the Education Ministry budget is cut by 1.5 billion shekels at the same time the MK Lorentz, with package deals, raises the allocations to "independent" educational institutions of the Agudah which are not subject to the supervision of the Ministry of Education.

Against this background it is possible to understand the vote of MK Avraham Melamed with the opposition last week. In that vote the request for an allocation of 8.5 million shekels (and the authorization of an allocation of an addition 11 million) was postponed for Kiryat Hayered, an Agudah institution closest to the heart of MK Lorentz. This failure is not accidental, and is the unavoidable result of the position of the coalition in the Knesset Finance Committee. There are lessons to be learned from it.

The first lesson that the coalition must heed in all seriousness is that the Finance Committee is a most important arena of struggle, and if the representatives of the coalition parties do not participate in all sessions--then the government will have no prospect of serving out its full term.

The second lesson is that the coalition must formulate a single economic program, a program whose one goal is the good of the economy, the will to overcome inflation, and to achieve economic productivity and growth. If the parties see in the coalition agreement only an agreement to "divide the spoils" in which every group gets what is "coming to it" even if the economy is falling apart--the government will not be able to stand, at least not in the present structure of the Finance Committee.

The third lesson is for the opposition. If it really wants to return to power at some time, it must exploit the weakness of its opponent. MK Adi Amorai, coordinator of the Alignment faction on the Finance Committee, has been investing great effort to teach his colleagues this lesson. His success until now has been only partial, and the Alignment has yet to appoint a tenth member to its faction on the Finance Committee. MK Amorai has appointed a group of substitutes who regularly come to committee sessions when members are abroad. Yet, it occasionally happens that a member does not come to a committee session without getting himself a substitute. It even happens that a member will decide to leave in the middle of a session and go to the library to read a book. This happened at the last session, where the coalition succeeded in passing a resolution regarding the allocation of 4 million shekels for the Beth Ya'akov Schools of the Agudah, because an Alignment member became bored and left to rest a bit.

In any case, it may be assumed that the opposition is not lying in ambush for the government in the Finance Committee on every issue. On issues important for the management of the country, it is certainly ready to lend support.

The vote of the opposition against the allocation for Kiryat Hayered came only after it seemed to it that the government had breached an agreement and tied up in red tape allocations for secular educational and cultural institutions.

The turning of the Finance Committee into an arena of challenge between the opposition and the coalition is not to the detriment of the citizen. It is worth it that the tax payer feel that there is one body in the Knesset which takes seriously its parliamentary responsibility and even struggles to prevent excessive public expenditures.

The lesson is that to the extent that we closely follow the actions of the Finance Committee, and to the extent that its members feel the responsibility which is upon them, Israeli democracy will benefit.

7075

CSO: 4423/37

ISRAEL

LIKUD MK ON NEGOTIATIONS WITH PLO

Tel Aviv HA'ARETZ in Hebrew 23 Oct 81 p 3

[Article: "MK Zeigerman: Negotiations With PLO If It Recognizes Right of Israel To Exist In Peace and Security"]

[Text] MK Dror Zeigerman (Likud-Liberals) says that he believes that Israel must now invest a number of months in an effort to encourage Palestinian elements to take part in peace negotiations. If it becomes clear that this is not possible--and he suspects that this will be the case--then Israel must announce that if the PLO recognizes its right to exist in security and peace then it will conduct negotiations with the PLO. In fact, Zeigerman adopts the Yariv-Shem Tov formula in the matter of the Palestinians.

MK Zeigerman returned from a tour of the U.S. where he met persons from both political parties, leaders of the Jewish community, and heads of the pro-Jewish lobby. He was struck by the fact that Washington is presently in the throes of formulating a process to bring the PLO into negotiations. MK Zeigerman found that the U.S. is trying to use Saudi Arabia to achieve recognition of the PLO in Israel and the readiness of Israel to conduct negotiations with it. In his estimation, the visit of past president Richard Nixon in Saudi Arabia, and expressions by Gerald Ford and Jimmy Carter on the need for negotiations with the PLO are a part of this effort.

MK Zeigerman is--as is well known--the first elected official of Likud who does not exclude the possibility of negotiations with the PLO. Zeigerman, who is a member of the Committee on Foreign and Security Affairs in the Knesset, proposes to discuss options of deployment in the face of developments in the U.S. He is also preparing a memorandum in this spirit with prime minister Menahem Begin.

Zeigerman believes that the prime minister's trip to the U.S. was a success, especially in the Senate, but difficulties were discovered in explaining current Israeli policy by means of the mass media. In choosing the next ambassador to the U.S., he said that it should be certain that he has the ability to make a good appearance on television in America.

7075

CSO: 4423/37

MILITARY SITUATION IN NORTH ASSESSED

Tel Aviv HA'ARETZ in Hebrew 23 Oct 81 p 13

[Article by A. Shweitzer: "Partly Concerned Look to the North"]

[Text] The political eyes of Israel are turned to the south. That is the impression one gets in view of the activity surrounding the autonomy talks, and the Israeli effort to develop a maximum thrust towards normalization. But there is a certain momentary attraction to the south. Senior government officials in Israel are alert to the potential for trouble in the north, and to judge from a few indicators, they are ready to move in two alternative directions.

The first one is the military. Politically, the peace treaty with Egypt is built on negotiation, give and take: take Sinai, give Judea, Samaria and Gaza. If not, give some rest now in regard to what is involved. The military view has a different point: transfer of Sinai has to give Israel the possibility of actually avoiding the southern front so that the IDF can concentrate in the north (and perhaps the north-east). Indeed, on the northern front there have been some changes, some of them for the better.

The principal change is the exit of Iraq from Arab ranks. As long as the war in Iran persists, and as long as Iraq does not despair of military and political annexations resulting from this war, it is doubtful whether Syria--which is the axis for the organization of war against Israel in the North--will be able to take into account active Iraqi support. Likewise, it is doubtful whether Jordan would be more than a weak reed, from Damascus' point of view. It is true that in the Arab world, they play in anger and are pacified in an instant. But the danger of war against Israel is great, and Jordan is still not considered by the Syrian Ba'ath party to be an ally with Arab interests and loyalties.

In the matter of the deployment of forces, there has been no improvement on the Syrian side. Lebanon is still not properly under control. And as for the forces which are at the disposal of the PLO, even though they may be depended upon as cannon fodder in any war against Israel, Damascus knows that they would be lacking in weight in any full confrontation with Israel. The only area in which there has been a perceptible improvement is in relations with the USSR: Syria is the principal Soviet arm in the eastern Mediterranean basin. And Moscow appreciates this fact. But one may reasonably doubt Moscow's desire to get involved in the wars initiated by its allies. They are operating in Syria apparently on the American model: They arm it in order to tie its hands and to keep it from acts of despair.

The beginning of wisdom--and Israel learned it anew and by force during the Yom Kippur War--is that in evaluating the future steps of the enemy, one must take into account his ability; intentions are a secondary view filled with doubt. Anyone who weighs what comes out of Damascus, or is impressed by what it publishes regarding Syrian army maneuvers, cannot doubt its hostile intentions regarding Israel. But ability, which is expressed not only in the number of armored forces and squadrons of modern planes, but in particular in strategic political deployment, cannot attribute too much to the rulers in Damascus. In other words, according to the strategic situation, for the present there is no danger to Israel from the north.

On its part, Israel did two things--an act and an omission--which signal to Syria that there is no need for war. One is the Israeli agreement to a cease fire in the north, which saved the Syrian ally from a smashing military defeat and prevented potential hostilities between the IDF and the Syrian army in Lebanon. The oversight was expressed in the failure to take a stand on the distribution of Israeli identity cards to the Druse in Golan, including the agreement to accept the return of them by those who had received them in the past. In this it is possible to perceive a signal--not for the first--that there is something to talk about regarding the Israeli holding of the Golan.

But there is basis to the belief that the Israeli moves will only achieve a nervous stalemate in the north. Syria is tied to the Soviet system--and although Moscow certainly does not want an outbreak of hostilities, it will also energetically oppose Syria's being cut off from it. And that would be the significance of Syria's coming to terms with Israel, which in the political notebook of the Kremlin is considered a satellite of the U.S. which does its bidding. It also seems that Israel does not have to be interested in the drawing of Syria to the American side--and therefore, it seems that a coming to terms between Israel and Syria, which would remove the shadow of war from the northern border, would be subordinate to American and Soviet influence to a regional settlement.

According to what has been said, it seems that for the present there is no danger of war in the north, but there is also no prospect of tranquility, as happened between Israel and Egypt. But there is a factor which could cause an outbreak, and that is the PLO. The organization is supposed to be controlled by Damascus, but it is doubtful if the obedience is complete. It is possible, without forcing the imagination, to suppose that Arafat would give the signal, either willingly or because of pressure from his colleagues, to renew firing on northern settlements from Lebanon, and if Israel would react as expected, the border could flare up--and if fighting broke out no one knows how and where it would end.

But the ignored factor is the U.S. According to reports published in the media, it is working very hard in Lebanon, with the limited goal of stabilizing the land of the cedars by strengthening the government there. But this effort will be expanded to include Syria and the PLO without reference to the Lebanese connection. To the extent that the goals of American policy will be more ambitious, so will the danger increase of shaking of the already shaky stability in the territory between Israel, Syria and Lebanon. But as in the case of PLO policy, Israel has only an indirect influence on American policy. Therefore, even though the constellation of basic givens is relatively comfortable, tension is also there.

SOCIOECONOMIC STATUS OF MIDEASTERN JEWS ASSESSED

Tel Aviv HA'ARETZ in Hebrew 14, 18, 20, 23 Sep 81

[Articles by 'Akiv'a 'Eldar]

[14 Sep 81 pp 9, 10]

[Excerpts] The largest waves of immigration to Israel came from North Africa, mainly from Morocco. The gap between North Africans and European or American immigrants is far deeper and wider than the gap between Mideastern Jews as a whole and European Jews as a whole. Professor Eizenstadt and other sociologists claim that you cannot generalize about Mideastern Jews. They point to the Moroccans as one of the principal sources of ethnic agitation directed against the "European establishment." The leaders of the Wadi Salib incidents, the black panther movements, the "Ohalim" and more recently Tami, were and are almost solely of Moroccan extraction. In order to understand their situation and therefore appreciate the tremendous progress they have made since their arrival in Israel, it is important to examine the roots of the Jewish settlement in North Africa, especially Morocco, in recent times.

The process of modernization, or frenchification in the language of the historian, reached Morocco 77 years after France withdrew support from Algeria and 38 years after the French brought their western influence with them to Tunis. Only in 1919 were the Moroccan Jews able to free themselves from the strict Muslim tenets and enjoy the conveniences of modern living brought by the French. At the time, their brothers in Algeria and, to a lesser degree in Tunis, were already "frenchified," educated and free from the symbols of traditional society which Moroccan Jews still adhere to.

Rich and Poor

Professor Emanuel Sivan of the Hebrew University, who specializes in the history of Islamic nations, explains that the French created a deep schism between the small Jewish elite (1/5 to 1/4 of the community) whose children studied in French schools and even assimilated, and the large majority who did not receive physical protection against the Muslims.

Yaron Tzur of the open university, a researcher studying the North African Jewish community, describes the relations between the poor masses and the wealthy minority: "The rich controlled the community. On the eve of the colonial period there was no

Rabbinical-spiritual leadership to balance this control. In Morocco, this ruling class began to draw away, alienate itself from, even exploit the poor. The rich held all the positions on the community council. They lived a European life style, involved in their businesses but charitable if only to satisfy social norms. There was an enormous gap between the two classes. There was almost no dialogue between them, no marriage vows." One could say there was real prejudice.

"With the setbacks of the French government in 1952," says Professor Sivan, "the Jews were faced with a decision. The frenchified minority left immediately. The independent professionals went to France. Until 1967 the bourgeois businessmen chose to remain in Morocco, thinking: We can work toward a new Morocco, bound by the agreement with France, if we can only free ourselves of the "Jewish Arab" image. There is documentation which indicates explicitly that the bourgeois Jews in Morocco said that emigration to Israel was good for the lower classes. Thus, the situation was such that one-third to 40 percent of the immigrants were a group which had been in transit from the villages to the outskirts of the cities and the ghettos. A third of these were Jews from the Atlas Mountains, i.e., more than two-thirds of the Moroccan immigrants during the 1950's came from the lowest strata of the Jewish community."

The elite break away

Of course, there were exceptions, intellectuals and bourgeois zionists, many of whom strank from the difficulties of absorbtion and subsequently left Israel. However, this was actually a form of internal selection among the North African Jews when the State of Israel had decided (not without serious apprehensions) to accept any Jew--the sick, the old, the handicapped--and share with each the meager offerings as well as the hard labor pains of the new country.

The psychologist Dr Kalman Benyamini who during the 1950's dealt with the absorption of North African children arriving in France, tells how: "The children were afraid to sleep on beds. They had slept on the floor their whole life and had never seen a bed. Many were suffering from trachoma and we had to explain the use of silverware and toothbrushes." Professor Moshe Lisk does not mince words when he declares that, "The Moroccan immigrants of the 1950's arrived without their elite which had cruelly abandoned them. The leaders wanted to be rid of them and had moved to France. All the energy of the Zionist enterprise was directed toward the North African immigration, in a supreme effort to get most of the Jews out. The older residents of Israel were uneasy about the customs and manners which sprang up during the Mandate period. Although they may have mistaken the shadows of the mountains for the mountains themselves, their fears were not completely unrealistic. There was a need to teach these immigrants to read and write, to treat chronic illnesses and to instruct them in basic hygiene."

Further, in the span of one generation the Moroccan community experienced a double crisis, the result of the modernization process which was part of the move from village to big city--westernization and urbanization. Later, when they immigrated to Israel and were dispersed among various development towns, it was as if they were thrust back to the periphery.

Yemen and Bulgaria Compared With Morocco

Professor Eizenstadt tells about meeting Moroccan leaders who had emigrated to France and Canada at a conference on the social situation in Israel. "These absentee leaders asked me why there was ethnic prejudice in Israel. I told them, 'Because you didn't come. If you had come, things would have been different, even in the eyes of those for whom you speak.' From this we can learn," says Professor Eizenstadt, "about one of the important problems in the absorption of Moroccan immigrants." He points out some of the similarities between the Yemenite and Bulgarian immigrants, who showed more promise for success at the outset. Within both groups, the community and the family were better established prior to their immigration to Israel. Further, 90 percent or more immigrated to Israel along with their leaders and their intelligentsia. The community supported its weaker members. The Bulgarians were educated and in Yemen there was a strong tradition which encouraged traditional learning, achievement, the desire to survive and emotional self-confidence. These combined with community and family roots were excellent incentives for success. The Yemenite Jews were a closed, persecuted minority on the eve of their emigration. The Bulgarians, on the other hand, had been accepted in the Ottoman society. But the common denominator between both groups was that they had no problem of identity. To be a Jew was not a problem which bothered the Bulgarian or the Yemenite Jews.

Of course, these communities had their problems. As in any community there were weak elements. While the Bulgarian immigrants' European education won them preference over the Yemenite immigrants with respect to professional placements, both groups had a strong ability to deal with the new realities which they confronted in Israel.

The situation for the Moroccan Jews was different: Upheavals had affected their identity as Jews in Morocco and their leaders had fled to France or Canada, leaving the community in a state of deterioration. "The Rabbinical leadership that arrived in Israel was traditional and had insisted on settling in Israel from the beginning of the emigration. The emphasis on education had already been weakened in the Moroccan ghetto. They were a transient society, riddled with crises, arriving with a great burden," said Eizenstadt.

Differing environmental conditions, traditions, leadership and most important, political-historical developments gave the Iraqi, Bulgarian and Algerian immigrants a significant objective advantage over their Moroccan brothers--from the time they arrived at the port. Immigration from the Asian countries had preceded the Moroccan immigration by a few years, but it was enough to give the former a certain advantage in terms of having acquired positions and political offices which the more established Europeans had not yet grabbed up (or positions they saw fit to set aside for Mideastern Jews).

The last to arrive, however, did benefit from the lessons learned by mistakes made in the absorption of the first waves of immigrants. We cannot, therefore, generalize about the problems of Mideastern Jews, although we may speak of "the Moroccan problem," this being the largest ethnic community in Israel and the one with the most serious and traumatic problems, far greater than those of Yemenite, Iraqi, Tunisian or Algerian immigrants.

[18 Sep 81 pp 15, 18]

[Excerpts] A young kibbutznik in dusty shorts led me to the huge asphalt plant. A Lebanese worker whom we had disturbed during lunch called out to Rafi Peretz, a member of the salaried workers committee at the Kfar-Gil'adi quarries. Rafi was very angry that day. He didn't even hear the bothersome calls emanating from his walkie-talkie as he spoke at length about a supervisor who had conspired against him. Someone had falsely accused him of stealing a crate of grapes from the kibbutz vineyard. The police were called in and Rafi was insulted. The complaint was dropped and apologies were made.

This time, I thought to myself, I've come to the right place. Rafi from Qiriyat Shemona is of Moroccan descent. The kibbutzniks are of European extraction. He is a salaried worker, they are his employers. Put it all together and you have a promising environment for feelings of ethnic and class prejudice. Rafi has lived close to such feelings almost since his arrival in Israel in 1961, as a youth of 14. He worked first in the fields of this kibbutz and after 5 years moved into the quarry. Why didn't he join the kibbutz? "They've suggested it, but I'm an only son, religious parents, it's hard." He adds, "Actually, I'm not sure if they accept Moroccans." The following day, Sylvie, a Moroccan immigrant from a family of 12 and a graduate of the university, said: "I have no complaints about the kibbutzes, although they have the best. If I wanted I could be accepted with open arms on any kibbutz." Even when it comes to feelings, one must beware of stereotyping.

Rafi's father was a cloth vendor in Morocco. When he arrived here Rafi was advised to continue his studies to be a tinsmith which he had begun in an ORT school in Casablanca. But it didn't work out. "I had to help my father out, so I went to work."

After I had cooled off a little in the airconditioned control room of the asphalt plant, Rafi took me out into the heat and dust of the quarry. He wanted to show me the pitiful storage rooms used as a lunch room by the day laborers. On the way, I heard his monologue on the European kibbutz/Mideastern workers relations. "You won't find any of them working in the quarry. They wouldn't work in this dust. I don't know if it's coincidence, but it's a fact. It's true what they say about the kibbutzes giving blacks a raw deal. Look, to study in the school at Kfar-Blum you have to pay a high fee. Why shouldn't their children study with our children in Qiriyat Shemona? I have friends on the kibbutz, but I don't visit them. Even when they invite us to a kibbutz party, they don't bother to find out if we have transportation. Maybe they're just being polite when they invite us. A month before the elections, the Kibbutzniks started coming to Qiriyat Shemona. All of a sudden they began to take an interest in us. Since the elections, we haven't seen them. It's true that they were insulted by the caricature of the monster we portrayed them as. I don't blame them for that."

Meanwhile, we had arrived at the storage room. Rafi opened the door and pointed to a small, dark room with a formica table and a few office chairs. He said that for several months now the committee had been asking for a "human" dining room, but the kibbutz refused to allocate funds for that purpose. "Kfar-Gil'adi has developed at the expense of workers from Qiriyat Shemona. How do you think they

bought all their trucks?" Rafi continues without anger but with bitterness, "During the elections the kibbutzes employed people with cars who were known Likud supporters. I have always been and will always be an Alignment man, so I refused to work during the elections. That makes them angry and they want to get back at me."

Group Humiliation

Rafi explained that the supervisors at the quarry fired drivers from Qiriyat Shemona and hired Arab drivers in their stead. Before we parted, Rafi added a few words that echoed in my ears on the way back to Qiriyat Shemona--"It's not like it used to be. Today every kibbutznik has a color TV, and they don't wear khaki anymore. And if they don't have a car, they don't go to work."

It reminded me of what I had heard one Friday evening on Kibbutz Nahal-Oz, from one of the woman members who had worked for the Alignment during the campaign, in a development town in the south. "We never succeeded to develop a feeling of trust. The people of Ofakim told me that we (the kibbutzniks) just splashed around in the pool all day. Believe me, my husband works 12 hours every day and we're lucky if we get to the pool on Saturdays. All week it's deserted." That same evening, I saw Knesset member Abraham Katz-Oz sweating in the kitchen. Rafi Peretz has a color TV (if that means anything). He bought it at a special sale conducted by the kibbutz for workers from Qiriyat Shemona. My friend from Nahal-Oz (where they have family sleeping arrangements) doesn't have a color television in the kibbutz living quarters, which is smaller than any apartment designated for young couples in Qiriyat Shemona.

Rafi Peretz and many other workers in Kibbutz industries will continue to complain about prejudice. They'll talk about it even when the listener is not a journalist whose ears they're filling with what they think he expects to hear. When they're talking about feelings the decisive facts related to me by Ehud Becker (son of German parents, former officer in the IDF), quarry supervisor at Kfar-Gil'adi, are of little importance: 40 percent of the day laborers in Qiriyat Shemona are employed by regional industries on kibbutzes in the Gaililee. Neither can survive without the other, without this give and take relationship. More salaried workers are to be found in management positions at the quarry than kibbutz members. A dining room had been set up at great expense for the day laborers, but was eliminated when they indicated they would rather receive monetary compensation for meals. Now, there are plans to rebuild it, due to renewed demands.

Ehud Becker ended our conversation by saying: I visit these workers in Qiriyat Shemona, and I wish I could reach their standard of living, at least as far as material goods. Each of our kibbutz members receives 8,000 shekels annually to buy furniture, books, records and the rest of his personal needs.

This feeling of ethnic discrimination does not prevail among those who feel deprived for other reasons, none of which have anything to do with ethnicity. Shortly before I left for the Kfar-Gil'adi quarry, I heard Amnon Shamosh, the author from kibbutz Ma'ayan-Baruch, use the phrase "group humiliation." He admits that for years he paid no attention to the ethnic problem. He didn't feel prejudice on the kibbutz and he wasn't hurt except when one critic or another ignored his works.

Now he is contrite. "I alienated myself out of the naive belief that a generation would pass and the matter would be resolved. As it turns out, time does not heal all wounds and the state does not mend all tears. Everyone is nonetheless progressing nicely, although the weak progress more slowly and the gap is becoming ever wider."

- Shamosh denies the divisive process which occurred among Moroccan Jews and left, in its aftermath, the majority of the rich and educated in France and the large majority of the poor and weak in Israel. "If North African Jews really felt they were immigrating to Israel to stay, they would have better assimilated here. France gave them more in terms of recognition and self-esteem. In France they felt taller. These Jews are lovers of Zion, not lovers of Zionists." Perhaps this explains the harsh comments of a Zionist kibbutznik who often speaks at meetings in homes in Qiriyat Shemona, urging the Moroccan immigrants to vote for that party which in their opinion has been more responsible for discrimination than anything else.

He Who Gives Shall Receive

When speaking of the hostile relations between Mideastern Jews from Qiriyat Shemona and kibbutz members, who fall into the "Ashkenazi" category, Shamosh takes an unusual stand. He considers this problem to be within the realm of the emotional-cultural. "It's one of the ironies of fate, because if there's anywhere that European Jews perform 'dirty work' it's here on the kibbutz. As far as the standard of living, they don't lack anything in Qiriyat Shemona.

Their standard of living is no lower than ours. When they were in transit camps, on Kibbutz Ma'ayan-Baruch two families shared one room with no flooring, just sand on the ground. A masonite board separated them and each couple received a chair, a bed and a small table. Since then things have improved on the kibbutz, and in Qiriyat Shemona, too. Don't let them tell you otherwise."

Shamosh is ready to accuse the kibbutz of ideological fanaticism, of a "holier than thou" attitude and denial of the need of the Mideastern immigrants to preserve their patriarchal tradition, which prevented them from assimilating on the kibbutz. He adds, "They claim that in Qiriyat Shemona there are no properly equipped shelters while on the kibbutzes in the region the shelters are luxurious. You should know that on Ma'ayan-Baruch we don't have a single shelter with running water or plumbing. In a 10-day period more shells fell on Kfar-Gil'adi than have fallen on Qiriyat Shemona since it was built. The problem is psychological, it's the difference between someone who settled of his own will and someone who had no choice and feels like no one cares. Philanthropy won't help. They need to work on getting good teachers out here." I was reminded of the teacher, Sylvie, from Qiriyat Shemona, who told me, "Our high school is known throughout the country for its achievements."

Shamosh angrily attacks the politicians, including Ra'anan Nayim from his own party ("We know that type well"), who exploit the natural feelings of antagonism between the urban settlements and the rural ones in the district, blowing them up for their own political purposes. He blames the kibbutzes for being too attached to the old historical ideals of Mapai with their membership cards. The kibbutzes expected the day laborers to support the Alignment. They felt the workers owed it to them.

The Kibbutznik from Halb criticizes the Israeli society for now knowing how to integrate the Mideastern Jews. But when there is mention of the ugly label "dealers in black men, moshavniks and laborers," which has recently been used in reference to the kibbutzes, he gets his back up "like an Ashkenazi": "the kibbutz gave for many years, and he who gives shall receive. When the nation needed agriculture, the kibbutz invested everything in the agricultural sector. When the country wanted to develop industry, the kibbutz gave its all to industry. Who would dare to ignore the sweat and toil of these settlers or the volunteers who helped in the transit camps, despite all the difficulties they had to confront. I want no man's thanks, but let them not cast stones. The kibbutzniks did not run from enemy fire. Now, they're being accused of everything. The kibbutz movement is struggling for its existence and for the right--in order to continue to exist--to teach its children according to the values and ideologies it chooses to maintain. If they force us to send our children to schools in Qiriyat Shemona, the children will leave the kibbutz and the entire nation will be damaged."

Our conversation was coming to a close and Shamosh from Halb, author, educator, kibbutz member, went on to perform his daily tour of duty in the modest dining room at Ma'ayan-Baruch. It's a tragic story of a man caught in the middle, I thought as I walked with him across the kibbutz grounds. What must be going on in the soul of a man who lives with the image of "prejudice against Mideastern immigrants" but opposes the label of "dealers in black men" as it has been applied to the last vestiges of the pioneer movement.

[20 Sep 81 pp 9, 13]

[Excerpts] From the steps of Sylvie Partok's home in the two story development, I could see the sweaty soldiers taking down the wood stage just outside the cultural center in Qiriyat Shemona. That week, various artists had performed there, having volunteered to soothe somewhat the bitterness, frustration and alienation which had intensified with the fear of the Katyusha shells. They told me Sylvie was a good person to speak with. Her son was weaned to the sound of shrieking shells. There is no shelter in her building and she is from a Moroccan family with many children. All this would combine to tell a good story about prejudice.

"Ethnic prejudice? I never thought of it that way, not at the university and not in the school where I'm assistant-principal." This young, well-groomed woman surprised me with her answer as she laid a cup of coffee down on the table saying: "Drink. It's good Moroccan coffee."

"The Israeli stereotypes make me angry. Why do they raise their eyebrows when they hear I'm a university graduate and I don't speak with a foreign accent? They always say things like, What, really? You can't be Moroccan! Now that hurts."

Sylvie was 3 when she immigrated with her parents and eight brothers and sisters to Israel in 1956. The tenth daughter, today an art student at Haifa University, was born in Qiriyat Shemona. Three sisters serve in the army as first lieutenants. "The rest also received an education, thank God, and we are all well established."

Sylvie didn't need the encouragement of experts from Tel Aviv, nor did she need the services of the social worker or other representatives of the patron establishment who were rushed to Qiriyat Shemona after the bombings. "Why me?" asked Sylvie

during the course of our conversation, "There are dozens of others like me. And anyway, what are they talking about these last few years? I'm invited to more weddings between Ashkenazis and Moroccans than weddings where the bride and groom are both from the same ethnic background. My sister married an Ashkenazi. His parents, from Karmel, were in a state of depression at first. Now they love her."

Qiriyat Shemona and 'Alma

I remembered Sylvie's words that night when I was speaking with a community worker who interacts with immigrant families on the Har-Meiron settlements. We wondered why the people of Moshav 'Alma are so tied to the way of life they brought with them from Kfar Nidah in Libya (by the way, as was true for the Moroccan community, the leaders of the Libyan Jewish community advised "the people" to emigrate to Israel, while they themselves chose Italy).

The community worker, who chose to remain anonymous, explained that the social workers were slowly being accepted into peoples' homes, and were succeeding to teach the mothers the importance of hygiene, toys and attention to infants. Then comes the next baby and the "big brother" becomes the charge of the eldest. The mother can't get away from Hebrew lessons or for any basic training organized by the local council. She contents herself with television programs, which she doesn't always understand (there are 250,000 adults in Israel who have difficulty understanding the Hebrew spoken on radio and television). The children come home from school and there's no one to answer the questions which come up while they're doing their homework. A child gets to the eighth grade and finds himself among the 80 out of a total of 300 elementary school graduates in the area who have great difficulty reading and writing Hebrew (this based on a study conducted 2 years ago). Then come the statisticians who count these children in order to demonstrate the educational, income and professional status gaps between Asian/African immigrants and European/American immigrants.

The story of Moshav 'Alma, like the story of Sylvie from Qiriyat Shemona, can tell us little about the problem of ethnic prejudice in general terms. The large majority of those considered "targets of discrimination" lie midway on the road between the educated young woman from Qiriyat Shemona and the woman in traditional Libyan dress from Moshav 'Alma who can't read or write. It reminds me of the saying: You can lead a horse to water but you can't make him drink. Both Sylvie and the woman from 'Alma ostensibly walked the same long road in order to drink the same water. It took courage but Sylvie got there and drank her share. Most of the Moroccan immigrants, however, are blocked somewhere along the way. They were told that everyone is equal ("the integration of exiles") but they were weaker and their strength did not suffice to make it the whole way. When the older residents offered to help and advise them, they said: "We are trying to find our own solution. Who wants to live off charity? We want to be strong and established, too."

All the significant studies conducted in Israel on the advancement of the underprivileged point out (and rightfully so) that discrimination in favor of the Middle-eastern Jews lies in the allocation of resources within the educational system. This is a marginal factor, however, compared with the tremendous importance of motivation, incentives for achievement and educational level (similar studies in the United States have arrived at similar conclusions). With all this, Moroccan Jews were lucky to have gotten to Israel, although for historical and sociological

reasons they seem to recognize this less than European Jews and even less than their brothers from Algeria, Iraq and Yemen. Most of those who were rich and educated in Morocco chose to go to France and, of course, were more successful there than their brothers in Israel.

Moroccan Immigrants Versus Iraqi Immigrants

I thought it would be interesting to compare the achievements of the Iraqi immigrants with those of Moroccans. Since I could not find these statistics broken down, I compared their achievements with statistics for the total population of Asian/African immigrants. The Iraqis and their children, it appears, are the second largest group of immigrants from a Mideastern country (266,000), are constantly improving their situation and have basically made a place for themselves in most areas of Israeli life. If someone were to claim that the Iraqis benefited from reverse discrimination, he should look at the table presented below which was published in pamphlets by the Central Bureau for Social Statistics under the title Israel Society--1980.

Indicators of Educational Differences--a comparison between sectors of select population groups, according to academic year (including those with minimal writing ability)

	<u>1961</u>	<u>1978</u>
Jews versus non-Jews	43	35
Children born in Israel to parents of Asian/African descent compared with children born in Asia and Africa	33	34
Children born in Israel to parents of European/American descent com- pared with children born in Europe and America	33	29

The indicator expresses, for example, a scale differentiating Jews from Arabs. If both groups had absolutely identical educational levels, the measurement of difference would be 0. If both groups were completely unequal, the indicator would be 100. The scale includes all members of the group with sufficient education to write a simple sentence. Upon examining the table it becomes clear that Israeli Arabs are closing the educational gap which exists between them and the Jewish population, i.e., the level of education improved significantly. On the other hand, there was almost no positive change in the educational level of Israeli-born children with parents of Mideastern descent. The most surprising statistic is the educational level of Israeli-born children of Asian and African descent. Here the level did not improve even when compared with the level of those educated in their countries of origin. And these are countries whose educational systems are considered inferior to the Israeli system. Will someone dare to say that Israeli Arabs benefit from reverse discrimination insofar as the allocation of national resources? An examination of data on housing conditions in Israel reveals that there was discrimination toward the Arab population, but not in a positive direction. The conclusion is that resources are not the decisive factor.

However, one might assume that some Mideastern Jews from lower educational and economic sectors would improve their situations if they were not so far removed from major population centers. Poor planning of settlements arranged in haste during the 1950's caused no small degree of tension in the Israeli society. The "Ashkenazi" pioneer waves had ceased and the administration could only send the less advantaged groups from North Africa to the development towns and border settlements (including Jerusalem). Sociological studies point to the fact that distance from a big city significantly decreases the chances of social mobility. The mistake was, according to Professor Lisk, "The establishment of small towns which do not allow for the evolution of a proper educational, professional or economic foundation. They put up one large textile factory in the town and when that collapses, the whole town is plunged into a crisis."

This distance fosters alienation. The traumatic transition into a modern, achievement-oriented society broke down the patriarchal framework. The boys earned and learned more than their fathers. Women went to work (Professor Lisk: "And what should we have done? Should we have cultivated the idea that women belong in the kitchen, that the young son should join the father in relief work, and especially that the son should not earn more than his father? It is true that uprooting people is a terrible thing, but everything had to be done so quickly.").

The volunteer spirit of the older settlements had all but disappeared. The depression and the military tension left the work of absorption in the hands of the bureaucrats who tend to look down upon those in need of their services--and this is true not just in Israel. True, if there had been a few more idealists like Luba Eli'av, everything might have been a little different.

The concept of Hevel Lachish--a federation of homogeneous communities--is the fruit of devoted thought and effort on the part of a man who opened his heart and mind to the immigrants. Political appointees do not act that way. Administrators prefer to use foolish slogans like "One hundred lira for the tenth child," which only encourages poor families to have too many children, even if they cannot provide them with the tools they need to make a place for themselves in modern society. From here it's a short step to solutions like making a Yemenite the Chief of Staff, which only emphasizes the feeling of discrimination.

The older immigrants are beginning to better understand "What's good for them," and have learned to exploit the gap between them and the "old horses" in more areas. The majority, I gather from numerous conversations with Mideastern Jews, do not want to shoot the old horses and break their common helplessness.

[23 Sep 81 p 9]

[Excerpts] I wanted to begin this final installment of the series with a list of suggestions--lessons learned from positive experiences and from mistakes. I wanted to write that despite everything, the Mideastern Jews have come a long way in Israel and should not look back in anger. I wanted to say in summation that the gaps in the standard of living and education are continuing to close up, that time and inter-ethnic marriage will do their own.

That's what I thought last Saturday night, a long night spent with Dudu Elharar. First Dudu wrote a letter to the editor. Then he asked a common friend to meet us

in order to talk about the series. We sat in the home of Alex Anski in Jerusalem. Dudu sipped 'ar'ak, I sipped wine. We dipped pita bread in sesame paste and hot peppers. For 6 hours we discussed theater, music, people, and of course, ethnicity. Dudu told how he rebelled against his father who told him: "Son, we were made to serve them. We have to do everything we can to make them happy, and that's that." We agreed that it is wrong for educators, although they have good intentions, to decide what culture to bring to the development towns. We agreed, too, that the special Mimuna celebrations are just part of the syndrome of businessmen exploiting their ethnicity and using their customs for personal gain.

Dudu Elharar, who was born to a middle class family in Morocco, is not the kind of person who classifies people according to where they came from. The actor-singer-producer, one of the more prominent in Israel, spoke candidly, but lovingly, about his father who refused to send him to Hertzelia high school. He told how his father had slammed the door in the face of the principal who had come to talk to him about it, and how he had given Dudu a threatening look when he had asked for a guitar. Dudu does not try to blame anyone. Instead he gets into his air-conditioned American car and visits the jails--where he found Shoshi (who sings the song "Her Faults")--and looks for new directions. He is not always successful. Dudu does not see the world in black and white. He tells with disappointment about a released prisoner whom he gave some money and who went right to buy drugs. But Dudu's visits--"one of ours"--to the cells are immensely more beneficial than the efforts of the social workers or the protests of the various "black panther" type groups.

Dudu is a success story. He doesn't have a stand on line at the bank. But he refuses to fill out forms on which you must list your country of birth, or that of your father. Late at night, as he dropped us back at our homes, he said quietly, "Despite everything, I feel small." We tried to understand why. Dudu Elharar, a talented artist and a successful impresario, who hasn't felt discrimination for years, feels inferior. Why? Dudu didn't have an answer.

Where did we go wrong? It's true that our Ashkenazi parents looked down on Dudu's parents and talked about them in stereotypes. It's true that the older residents were the first to get the better places. But what other country in the world took in so many people in such a short, hard time? We didn't turn away the sick, the old or the young. We gave homes and land to whole communities whose leaders had abandoned them. The little that we had, we shared. Everyone fought together and the newer immigrants finished the work of the early pioneer waves--although they may not have liked it--when that immigration had been cut off. It's true that the lower classes are still overflowing with Moroccans, but one should not forget that less than 30 years ago most of the Mideastern immigrants did not realize the importance of an education in an achievement-oriented society, and where there was no awareness, resources were of no help. Even today, their countries of origin have not caught up with the progress of western culture.

This week, an educated reader of Iraqi descent who had grown up in Musrara, called up to say: "Tell the Ashkenazis to stop apologizing already. I'm from a poor family with eight children and we all studied and became successful, with the help of our own will power and, of all things, the help given us by Ashkenazis. Someone has to stop Dr Shimon Shetrit. He has to stop preaching reverse discrimination. We don't need it. It's insulting. For a long time now it's been easier for a Mideastern student at the university."

The solution for this feeling of inferiority or discrimination does not lie in a more equal but mechanical distribution of resources and power. Would Dudu Elharar feel better if another three top officers in the police department or another ten knesset members were from Morocco? Did the addition of Ra'anan Nayim, Yakov Gil and Rafi 'Edri to the Alignment's list and the advancement of Shoshana Arbeli-Almozalino draw support from the Mideastern Jews for the party? Did the appointment of Yitzhak Navon to the presidency reduce the feeling of deprivation?

It seems as though the Jewish people were not graced with a full measure of tolerance and patience. The Spanish who were the old settlers in Israel, fought the new Ashkenazis and refused to share authority with them or give them their daughters in marriage. The first waves of immigrants from Russia looked down upon their brothers from Poland who arrived shortly afterward. The Poles depreciated the German immigrants who held the Yemenites in contempt. And he has not heard a Moroccan immigrant talk about an immigrant from Gruzia who doesn't know what stereotyping is.

As long as there are separate Mideastern and Hassidic song festivals, instead of one Israeli song festival, people will continue to feel inferior. And we shouldn't be surprised if even "successful" men, according to the criteria of modern society, feel that way. We can't justify ourselves by quoting statistics which attest to the closing gap between ethnic groups. As Professor Eizenstadt told me, he who is not aware of the importance of a higher education in modern society will not claim that his children were ruined by the entrance exams for the university. These kinds of claims, which have been heard for the last few years from Mideastern Jews, only prove the country's success in assimilating large groups of immigrants from what is generally called "traditional societies" into the framework of the modern era. We've been trapped in a strange bind--the more advanced the Mideastern Jews become, the more we'll hear about deprivation and discrimination, from a broader population.

It's important to explain, however, that if discrimination exists against one group or another, there was no malice aforethought. It is also important to point out the objective factors contributing to such gaps, still largely due to the "imported gap." However, as long as institutions provide forms with a square for "country of father's birth," and as long as people still raise their eyebrows in surprise when they meet a successful Moroccan, inter-ethnic tensions will continue to exist.

This week a Moroccan friend who had never before spoken about ethnic prejudice asked me, "Why should Nola Chelton produce a play about a home for battered women wherein all the women spoke with Moroccan accents?" She added angrily, "Do only Moroccan men beat their Moroccan wives?"

We need an educational system that promotes tolerance and refraint from stereotyping, not the hypocrisy written in history books. We need to exploit the opportunities we have for cross-fertilization of the best of all those cultures which have gathered here, as opposed to creating a mystique surrounding certain arcane cultures. And we should have political representation based on ability, not ethnic parties. Perhaps all this would make you feel taller, dear Dudu.

9811

CSO: 4423/14

NEW MEDICAL CHEMICALS DEVELOPED

Tel Aviv MA'ARIV in Hebrew 18 Oct 81 p 18

[Article: "Universtiy of Tel Aviv Develops Substitute Materials for Radioactive Trace Elements"]

[Text] At an Israeli-German scientific symposium on organic chemistry, held recently at the University of Tel Aviv, reports were made on a new method for synthesizing chemical materials. Participating in the symposium were scientists from the University of Heidelberg in Germany and from institutions of higher learning in Israel. Reports were also made on materials which can replace radioactive trace elements used today in medical diagnosis. This was reported in the last issue of UNIVERSITY, the monthly journal of the University of Tel Aviv.

A new method of synthesizing chemical materials used as components in medicines and cosmetics was presented by Dr Shimon Schmelzer of the Department of Chemistry of the University of Tel Aviv. He is currently spending a sabbatical year at the University of Heidelberg. The lecturer explained that the new method of synthesis is much more rapid than older methods, and is also cheaper. It is possible that this new method of synthesis will be effective in the production of a certain type of ketones (a group of organic compositions) which serve as important components in anti-cancer medicines.

The work of Prof Edward Kosover of the Department of Chemistry of the University of Tel Aviv, who was one of the symposium organizers, and Dr Annette Radkovski of the University of Tel Aviv demonstrated the new method of synthesizing materials having a fluorescent quality. These materials emit light when they are illuminated, and they can serve as a substitute for radioactive trace elements in medical diagnosis: after being injected into the body, they are absorbed into the blood, and by tracking their movement throughout the body one can discover possible blockages in blood vessels, and the like. The placement of fluorescent materials is much simpler and cheaper than the placement of radioactive elements. In addition, there is no danger to the body, in contrast to the danger caused by radioactive trace elements.

Prof Yoel Kashman of the University of Tel Aviv lectured on sea metabolites in the Red Sea. The metabolites are materials which are produced in the process of material exchange in living creatures. There are certain metabolites which have a use in the production of medicines, and in industry. The research of Dr Kashman deals with the metabolites of coral, sponges, and other creatures of the Red Sea. In the past, metabolites have been discovered in these creatures which are similar in composition to prostoglands, which are used in medicine to accelerate childbirth.

7075

CSO: 4423/40

BRIEFS

ELECTRONICS INDUSTRY STATISTICS--The total output of the electromics industry in Israel amounts to \$800 million per year. This was reported by the chairman of the Union of Electronics Industries in Israel, Elisha Shakhmon, in an interview which was published in TAGLIT, the supplement on research and technology appearing today in MA'ARIV. Mr Shakhmon notes that electronics is an industry rich in knowhow, in which a third of the work force employed is professional. Close to half of its production is earmarked for export, and its added value is high, reaching 65 percent. In recent years, the electronics industry in Israel has developed a wide variety of products, including wireless and line communication devices, medical electronics, computers, industrial control, and electronic components. Surveys of the electronic branch presented in the last issue of TAGLIT include the development of a chip at Intel in Haifa. The chip (a piece of silicon one-third of a millimeter thick) contains 70,000 transistors. This computer unit is able to execute 50,000 actions squared, or 10,000 log second. This chip serves as the electronic "brain" in advanced computers. Work is currently being done to develop the next generation of chips which will contain 250,000 transistors. [Text] [Tel Aviv MA'ARIV in Hebrew 27 Oct 81 p 1] 7075

IDF APPOINTMENT--Col Uri Or is about to be appointed Chief of Central Command, in place of Brig Gen Moshe Levi who is going on leave before being appointed as deputy Chief of Staff and head on Intelligence Branch. Col Or will be promoted to the rank of brigadier general. Col Or is 42 years old, and is considered among the best and most talented of officers in armor of the IDF. He has proven his ability in war as a combat officer. During the Six-Day War he was commander of a patrol unit of Unit 7, which breached the Egyptian lines in the region of Rafiah and Haji-Radi, and which became famous for its daring. Later he was an officer in the intelligence branch of the unit; a bridge commander during the War of Attrition; participated in many clashes; commanded an officers course in armor for the IDF; and spent a year of advanced study at Fort Knox in the U.S. During the Yom Kippur War he was the commander of a reserve armored unit which fought in the Golan Heights, and he distinguished himself in severe combat. After the war, he was appointed commander of Unit 7, during the days of the War of Attrition in the salient. Later he was promoted to colonel and commanded an armored force in the north. During the Litani Campaign he commanded a multi-force unit. Two years ago he was appointed chief of staff of the Central Command, with the intention of later appointing him chief of the command. Col Or was born at Moshav Kfar Haim in the Hefer Valley, is married, and is the father of three children. [Text] [Tel Aviv MA'ARIV in Hebrew 23 Oct 81 p 1] 7075

HOUSING CONSTRUCTION--The government will build 10,000 rental units each year. This was reported last night by Minister of Economy Ya'akov Meridor, at the dedication of Eliahu House in Tel Aviv. Minister Meridor called upon banks and insurance companies to invest in rental housing. Minister Meridor said that within the next 5 years most of the industrial equipment of factories in Israel would be replaced with more modern equipment. Deputy Finance Minister Haim Kaufman said that the possibility should be studied of enabling insurance companies to release additional parts of their reserves for free investment. Today, insurance companies are required to invest 90 percent of their reserves in government notes. Each year they are permitted to invest only 15 percent of their accumulation in other investments, but in general they are prevented from doing this. The deputy minister believes that companies should be permitted to invest larger amounts in investments determined by the government. Attending the dedication of Eliahu House were ministers, members of Knesset, the mayor of Tel Aviv Mr Shlomo Lahat, and leaders of the financial community. [Text] [Tel Aviv HA'ARETZ in Hebrew 12 Oct 81 p 2] 7075

STATISTICS ON IRAQI JEWS--Among students of Iraqi descent, 55 percent of those who took matriculation exams in 1966 passed. Three years later, the percentage fell to 46. During the same period the success rate on matriculation exams among Asian/African candidates as a whole fell from 60 to 58 percent. Those of Iraqi extraction were on a par with their European/American counterparts insofar as their improvement rate on the exams. Despite their positive contribution to the group statistics, the curve for the entire Asian/African population showed a negative direction. In 1961, 57 percent of the Iraqis in Israel spoke Hebrew, compared with 54 percent for the total population of African extraction. This was even higher than the percentage of Hebrew speakers among residents of European/American descent (55.1). In 1973, Iraqis held 5.9 percent of the senior civil service positions, although senior positions constitute only 4.4 percent of all civil service jobs. In 1969, 15 percent of the certified bookkeepers in the nation were Iraqis, while Asian/Africans as a whole accounted for only 7 percent (excluding Iraqis). Of those Iraqis on the executive board of the Histadrut, 61.8 percent hold senior positions, compared with 40.6 percent for the total population of Asians and Africans (including Iraqis). Among all members on the executive board, 54 percent held positions at this level. Iraqis have also succeeded to gain upper echelon positions in the IDF (mainly in the intelligence branch and the police). There are eight judges of Iraqi extraction, most in the High Court of Justice. [Text] [Tel Aviv HA'ARETZ in Hebrew 20 Sep 81 p 9] 9811

CSO: 4423/14

U.S.-ISRAELI COOPERATION AGREEMENT SEEN AS THREAT

JN020725 Amman Domestic Service in Arabic 0515 GMT 2 Dec 81

[Text] Under the headline "The Strategic Cooperation Between Washington and Tel Aviv," today's AL-DUSTUR writes: The strategic cooperation agreement signed by the United States and Israel is a serious development which will have negative dimensions and grave consequences on the region's future. It will also crumble hopes of the possibility of achieving peace and stability in this turbid part of the world.

The strategic cooperation document signed by the U.S. and Israeli defense ministers makes Tel Aviv a partner in drawing up the U.S. political and military strategy in the Middle East region, which will give Israel every chance and right to interfere in the Arab world affairs, something which is rejected by all the Arabs.

Despite Washington's bias in favour of Israel and its commitment to protect and supply Israel with funds and weapons, the strategic cooperation agreement gives Israel a written document which forces the United States to continue its imbalanced policy and obliges it to support Israel's aggressive policy against the Palestinian people and the Arab countries. What doubles the dangers of this agreement is that the storing of sophisticated weapons and military equipment in Israel under the pretext of confronting the Soviet danger leads the region to the hotbed of international conflict and provides the Zionist entity with further military power, in addition to Israel's seeking protection under the U.S. umbrella in implementation of the strategic cooperation agreement.

Washington's attempt to reassure the Arab countries that this agreement is not directed against them, but against the Soviet danger in the region arouses concern rather than reassurance because to focus attention on an imaginary danger aims at distracting attention from the real danger threatening the entire region, that is, the standing Israeli danger as is daily materialized in the establishment of further settlements, confiscation of Arab lands and provocation of this or that state.

What calls for concern and requires further precaution and alertness is that the signing of the strategic cooperation agreement between Washington and Tel Aviv comes at a time when the Arab ranks are split, which makes the Arabs less capable of confronting these grave developments, which Israel is playing down by trying to create a political crisis over the strategic cooperation agreement.

It goes without saying that the Arabs' only option is to quickly unite their ranks and rebuild solidarity on sound and solid bases so that they can confront all developments and repulse all challenges and plots.

JORDAN

BRIEFS

STEADFASTNESS FUND--Amman, A knowledgeable source in Amman yesterday said that Jordan and the PLO will jointly request the Fes summit conference to increase the capital of the fund in support of the steadfastness in the occupied Arab territories. [Text] [JN250835 Amman AR-RA'Y in Arabic 25 Nov 81 p 1]

W. BANK VILLAGE LEAGUES--Under the headline "The Village Leagues' Armed Militias," today's AR-RA-Y writes: The tasks of the village leagues, which have been formed by the Israeli authorities in some West Bank areas, have been revealed to go beyond previously-conceived dimensions. These dimensions are not confined to politically opposing the PLO and luring our steadfast kinfolk into collaborating with the occupation authorities, but have developed into forming armed militias to terrorize people, exercise armed pressures on them and disrupt their ranks with bullets under the auspices and in the interest of the occupiers. This new development indicates that the Israeli authorities have decided to entrust their aggressive practices against our kinfolk to those few people collaborating with the enemy so that what is happening in the occupied territories will look like armed dispute among the Palestinians themselves, in which Israel has no hand at all. Thus, Israel will appear quite innocent before the world. The village leagues' militias indicate that the occupation authorities have prepared for a bloody scheme in the occupied territories. The steadfast kinfolk should be more vigilant and united so as to resist that scheme and turn it against its perpetrators. Concluding, AR-RA-Y says: There is no doubt that the Palestinian people's strength, solidity and bravery will crush those few people of the village leagues and will also turn these leagues into a lesson showing that our kinfolk's steadfastness and preservation of their identity, land and heritage are more durable and stronger than all evil practices. [Text] [JN010730 Amman Domestic Service in Arabic 0515 GMT 1 Dec 81]

CSO: 4404/166

LEBANESE SHI'ITE LEADER INTERVIEWED

PM081255 Beirut AL-BAYRAQ in Arabic 27 Nov 81 p 4

[Interview with Shi'ite Islamic Higher Council Deputy Chairman Shaykh Muhammad Mahdi Shams ad-Din to REVUE DE LIBAN's Nadim Shuqayr: "Intensive Palestinian Presence Upsets Situation in South"--date and place of interview not specified]

[Excerpts] [Question] Do you still hope that [Shi'ite Islamic Higher Council chairman] Imam Musa al-Sadr will be found?

[Answer] Most certainly we hope to see the imam back in his country. We are making every effort to bring about his return and to see him resume his activities in the service of the homeland and all the Lebanese people without exception.

[Question] Whom do you accuse in the case of the imam's disappearance?

[Answer] There is no doubt that Libya is responsible for the disappearance of Imam Musa al-Sadr and his colleagues Shaykh Muhammad Ya'qub and 'Abbas Badr al-Din. This has been confirmed by the big powers, the Arab states and the Lebanese authorities. All the Arab and Iranian leaders with whom I have discussed this subject have confirmed this. Foreign countries we have contacted on this matter also gave us the same answer. The same conclusion was drawn from the investigation carried out in Lebanon and Italy.

[Question] In the event of a continued long absence of the imam, until when will the election of a new chairman for the Shi'ite Islamic Higher Council be delayed?

[Answer] Elections might be held if the fate of the imam is still unknown when he reaches the age of 65.

[Question] How do you explain the clashes which break out every now and then between the Amal movement and some Palestinians and their allies?

[Answer] Given the absence of the state from the Lebanese arena, the Amal movement epitomizes the hopes of the masses and their aspiration to justice and equality for all the people, who have endured all kinds of suffering and pain. Amal is the threshold to salvation. How can it be otherwise when southern Lebanon is so endangered by intervention and bestial aggression and

the state remains the main element absent from the border area? Life there is impeded by the intensive armed Palestinian presence, which disturbs the natural order of values, by the permanent threat of Israeli aggression, which inflicts pain on all southern Lebanon, and by another kind of Israeli presence, represented all along the border strip by Sa'd Haddad's men. All these factors have led to a rallying around Amal, whose only objective is the defense of Lebanese territory. This leads to complications and misinterpretations, which develop into armed clashes on the ground. When that happens we quickly move to stop or contain them. Let me affirm here that if certain parties imagine that by fighting Amal they can belittle its role or reduce its influence on the masses they are grossly mistaken and would do well to discard those illusions. All sides should agree on common denominators to solve the various problems of the country and avert the specter of mass evacuation as a result of aggression and attack operations.

[Question] Taking all factors into consideration, is the south in danger?

[Answer] We expect a large-scale Israeli aggression against southern Lebanon. We have already sounded a warning about the dangers threatening the area. Today we repeat our warning: southern Lebanon is in more danger now than at any time in the past. This is due to the conflicts on the international scene and the ineffective Arab attitude toward the crisis.

The Arabs have two options: either they declare war on the Zionist enemy on all fronts or they promote calm in the area in accordance with the security council resolutions and the resolutions adopted by the various summit conference.

[Question] Has the Iranian revolution been successful in achieving its aims?

[Answer] Yes, it has been successful, at least in preserving the Islamic Republic. We expect it to score many more successes. Of course, it is facing considerable difficulties because it has its own ideology and rejects all foreign ideologies.

[Question] An Islamic revolution upholding the principles of Islam, and yet so much bloodshed?

[Answer] We believe that the Islamic revolution is the victim of the world news media, which have been fighting the revolution desperately. Violence only affects terrorist groups that have deviated from the national course.

CSO: 4404/166

AMERICAN LEADERSHIP ACCUSED OF NUCLEAR WARMONGERING

London AL-ZAHF AL-AKHDAR in English 13 Nov 81 p 2

[Text]

IT HAS always been difficult, if not impossible, to claim high intelligence for the American leadership. Nobody could really describe any of the recent US Presidents and the majority of their lieutenants as highly intellectual, well-informed, thoughtful people. But even a relatively stupid person is usually able to learn from his mistakes and politicians, even the most callous, have traditionally been sensitive to such learning. Not so Reagan's fearless brigade, who seem always ready to rush in where only fools dare to tread.

Not two weeks after Reagan's blunder concerning the possibility of 'limited' nuclear warfare in Europe and the furious reactions this aroused among European countries, the President's trusted sidekick put his general's foot into his large politician's mouth, by announcing that his boss had spoken the truth and nothing but the truth and that there were contingency plans for firing a nuclear warning-shot. He added that these plans had always been a part of general NATO strategy. Haig should know, as ex-commander of NATO forces. Anyway the said revelation has been an open secret for a long time - anybody interested enough could have found it out for himself.

But one may wonder why Haig, or the American leadership as a whole, insist on the possibility of a nuclear attack? One may reasonably conclude that it is a way of preparing the people of the world for the inevitable: a US pre-emptive strike against the Soviet Union. When dealing with people such as Reagan and Haig, no conclusion, no matter how far fetched or

Irrational it may sound, may be excluded. Even the conclusion that these repeated gaffes, that so irritate America's European allies and all progressive people the world over, are not really gaffes, but thought through tactical statements.

We in the South might be forgiven for shrugging off Reaganite nuclear rhetoric, in that it deals, on the surface at least, mainly with Europe. But beyond the inescapable fact that any nuclear 'warning shot' is most likely to degenerate into all-out nuclear warfare, there is another worrying factor. Europe is America's objective ally and the two continents are bound together by deep historical, social and ideological ties. In that sense it is certain that the USA would prefer not to use Europe as its major battlefield in its war against the Soviet Union. The reaction of European governments following the American statements on limited nuclear war in Europe, might go a bit further towards restraining the United States, which is unwilling to lose valuable allies.

However, that does not mean that the Presidency and the Pentagon will give up their warmongering or shelve their plans for a confrontation with the Soviets. But if Europe proves to be an impractical test range for theatre nuclear weapons, where else can the generals scratch their nuclear itch? In the South, of course. What better test battle field than one of the developing countries, especially if such a country has a clearly anti-imperialist stance and opposes American policy. Like killing two flies with one stone, reflect the Pentagon generals. The mood in America now is that Vietnam could have been won had Johnson or Nixon used the Atom bomb: Reagan, Haig and Weinberger subscribe to that belief. A nuclear attack is therefore highly likely should a similar conflict arise somewhere in the Third World, preferably far away from America's shores, say, somewhere like Africa.

CULTURAL CENTER OPENED IN KUALA LUMPUR

Valetta THE JAMAHIRIYA MAIL in English 21 Nov 81 p 3

[Text]

•A new Libyan cultural centre has been opened in Kuala Lumpur. The ceremony held for the occasion was attended by Muhiddin Mohammed Yassin, Parliamentary Secretary for Foreign Affairs in Malaysia, party leaders, members of the People's Bureau in Malaysia, university chancellors and academic dignitaries, publishers and members of the diplomatic corps in Malaysia.

The secretary of the People's Bureau delivered a speech on the occasion in which he said the opening of a number of cultural centres is part of the Jamahiriya's belief in promoting relations with friendly nations. He said the centre will provide the Malaysian people and others with an opportunity to learn Arabic, the language of the Koran, and to use various other books.

He added that the most important service the centre will be performing will be to introduce the right interpretations of the concept of the Koran which form the basic legislature of the Jamahiriya society. He said: "The Islamic world is facing various challenges to its beliefs and we are called upon to deal with this threat and revise our political, economic and social concepts in accordance with the Green Book."

The Malaysian Parliamentary Secretary for Foreign Affairs, Muhiddin Yassin, praised the Jamahiriya's pioneering role in promoting Islamic teaching and supporting Islamic causes and Muslims. He affirmed that the Islamic countries cannot face the present ideological, political and economic challenges without solidarity and the concerted efforts of all Muslim countries. He said this is the practical and constructive answer to all threats.

Mr. Yassin expressed appreciation for the opening of the centre saying: "This center will certainly advocate the cause of Islam and spread Islamic culture and help to make Islamic values and traditions deeply felt. I heartily congratulate the Malaysian youth on the opening of this centre which

will give them the opportunity to learn everything necessary about Islam and Islamic traditions in addition to strengthening relations between the Libyan and Malaysian people."

The centre has four parts including a library with 20,000 volumes in the fields of science and the humanities, exhibition and lecture halls, a department for teaching Arabic and a special children library.

LIBYA

BRIEFS

AIR AGREEMENT WITH RWANDA--An agreement on air transport between the Socialist People's Libyan Arab Jamahiriya and the Republic of Rwanda was signed at the headquarters of the General Administration of Civil Aviation. The agreement allows airlines in both countries to have regular flights and organize modes of operation and tariff lifting. This agreement was signed by the Director General of the Civil Aviation Board in the Jamahiriya and his counterpart in the republic of Rwanda. [Text] [Valetta THE JAMAHIRIYA MAIL in English 21 Nov 81 p 6]

CSO: 4500/71

NEW FOOD COOPERATIVE SEEKS TO SOLVE RURAL PROBLEMS

Nouakchott CHAAB in French 29, 30-31 Oct 81

[Article by Abba O. Mohamed]

[29 Oct 81 p 3]

[Text] Legdeim, a small village in Assaba region, 15 km from Boumdeid, had 200 to 250 families a few years ago. Today, there are only half that number. The effects of years of drought, and primarily rural exodus, have seriously affected the people of this area.

Legdeim Combats Hunger

The few remaining families--most of them old people, women, and children--wage a constant and usually futile struggle against hunger, thirst and sickness. These are, of course, the afflictions of our entire rural community and call for urgent and effective measures to save this element of our people. However, these efforts cannot and must not be carried out only by the state and administrative authorities; only joint and sustained action of the victim population can halt the danger. The state's role will thus be to help and to guide the people's efforts in their struggle against the drought and its consequences.

It is in this context that a promising experiment is underway in the Legdeim area, the small village in Boumdeid Region already mentioned. The village young people have decided to establish an agricultural cooperative to achieve food self-sufficiency and breathe new life into this endangered community.

CHAAB newspaper interviewed the president of this cooperative, Cherif Ould Bouna, who discussed the cooperative and its capabilities, prospects, and activities. He also reviewed a number of problems and obstacles which faced the cooperative from the outset. He explained: "It is named Legdeim Cooperative. It has 400,000 Mauritanian ouguiya in capital, up to 40 members, and the purpose--agriculture." The idea of the cooperative came from an organized group of young people in the area who became aware of the problems facing the community.

Food Self-Sufficiency

Their goal in this experiment is both to achieve food self-sufficiency for the people and to persuade people to return to their land. The president of the

cooperative said: "We have the benefit of several factors in undertaking this agricultural activity. The first is that Legdeim's land is cultivable, and also that 85 percent of the rain water which the Tagant receives in a year flows in the Legdeim Oued." He explained that they had benefited from this situation by channeling the water in systems of ditches to the cultivable areas. The cooperative also decided to resume construction of the "Lematt" dam, which had stopped because of the rural exodus and nature's harshness. The dam will make it possible to retain the water brought by ditches to irrigate and make the land usable for traditional agriculture. The cooperative also plans to exploit the inexhaustible Mendjoura underground water (known as Guellet Mendjoura) to irrigate during rainless periods. The cooperative's president said that this will enable use of modern agricultural methods. The water deposit is located 1,500 meters from the agricultural cooperative. Cherif O. Bouna added that exploitation of the deposit will require some equipment which they do not yet have, and that in the meantime they have been digging wells about 8 meters deep at another dam.

Cherif O. Bouna said that anyone from the area can join the cooperative. However, the cooperative officers reserve the right to reject the application of anyone they consider irresponsible or wrongly motivated. He added that the cooperative has in fact refused participation by certain persons in accordance with the established criteria. These individuals had, unfortunately, tried to cause our effort to fail.

Problem Understood

On the pretext of prohibiting disputed land to be used, these individuals brought a complaint to the regional authorities against the cooperative, using the argument that the cooperative was using land that belonged to them. The president of the cooperative said there was no truth to this. This fabrication impeded our efforts a little, but the new administrative authorities seem to have understood the problems and grasped all the ramifications. We sincerely hope that they will come up with a good solution, the cooperative president said, the one which will give us the right to use the land already irrigated and made productive for the benefit of all residents of the area.

[30-31 Oct 81 p 3]

[Text] Yesterday we published the first part of our interview with the president of the Legdeim Cooperative in the Assaba region. In yesterday's first part he talked about a group of aspects relating to the idea of creating this cooperative, its means and its work potential in addition to its main goal. In this second and last part, M. Cherif O. Bouna will talk about the cooperative's organization and its problems.

The cooperative president had previously expressed his confidence in the regional officials and his optimism regarding their understanding.

Hope and Confidence

He added: "We hope that matters will be settled very soon and that the cooperative can continue its beneficial and strengthening work."

In addition to this land problem, there are many other obstacles and handicaps. He said: "There are very many problems; but it would have been surprising if there were not."

Marketing of Products, Transportation

First of all, the cooperative has a marketing problem caused by transport difficulties. Since the cultivation is being carried out on areas formerly crossed by roads, this cultivation now impedes transport of the products outside the area. This inevitably has had negative effects on the result of our work, the president said.

In addition, there have been a number of problems specific to the area. The main one is resupplying it with basic necessity foodstuffs. This resupply is of major importance to the Legdeim inhabitants, and the cooperative thus took on the task of achieving it by its own methods. It will bring in all the products and foodstuffs necessary for the people's daily life and make them available in an open store for this purpose.

Cherif O. Bouna said, however: "We have been running into difficulties in this supply to the area of necessary products." The prices at which we are buying the products are too high, far above the initially standardized prices. We hope that the region will help us buy the products at reasonable prices, especially since they are destined for people with little, or nonexistent, income, the president of the cooperative added.

Among the problems specific to the area are certainly health, education, and the effects of the rural exodus, Cherif O. Bouna said: We are drawing attention to the seriousness of the difficulties in the life of the Legdeim people and also their daily struggle to survive. "We appeal, in this connection, to the regional authorities to appreciate at true value the praiseworthy efforts of the Legdeim cooperative's members to help the unfortunate people." We hope that the assistance and understanding which these officials have already given will even grow.

On our part, the president concluded, we will persevere in our efforts. Our cooperative, composed of farmers, employees, students and cattle raisers, all from this area, will do all it can to counter the effects of several years of drought and the consequences of a hostile natural environment.

9920

CSO: 4519/39

DROUGHT CAUSING GRAVE CRISIS IN DAIRY INDUSTRY

Casablanca LA VIE ECONOMIQUE in French 30 Oct 81 pp 6, 10

[Text] Like all other sectors which depend on the land, stock-raising and the dairy industry have been gravely affected by the drought and the general decline in purchasing power. Although milk production has fallen considerably, it is still quite sufficient to meet the plunging demand. The director of one of large dairies in Morocco explained: "The lowered demand is mainly the result of a decline in purchasing power due to price increases." An initial setback was the price increase per liter of milk from 1.62 to 1.82 in September 1980. The trend was accelerated by an additional increase in June to 2.22.

Although production did fall considerably, mainly as a result of the drought, the decline in consumption was even more marked. During the period of high milk yield in March, April and May it is estimated that the lack of rain caused a 30 percent drop in value of production. On the other hand, the decline in consumption was even greater, since, despite the production decrease, milk stock on hand was larger than in the preceding year at the same time. The excess was thus sent to processing plants (powdered milk) to be used later to meet shortages during low milk yield periods.

The decline in consumption is undoubtedly the result of price increases but also of the bad harvest, also caused by the drought. Shortage of grass has affected cattle feeding. This shortage has caused speculation in supplementary feeds. Thus, fodder has increased from 80 to 150 dirhams per quintal, hay from 80 centimes to 1 dirham per kg. Forage is sold at 1.30 per kg, and barley at 1.50. Prices of the various feed products for animals have increased so much that farmers reckon it is now more expensive to feed a cow than a family of 10 children. Unfortunately, you cannot be sure that this is only a joke. You have to figure on 15 to 20 dirhams of feed per cow, whereas only a few months ago this cost was certainly less than half. On this basis, therefore, a farmer has to sell 10 liters of milk per cow just to pay for its feed, which is already a high production for the animals of a small "fellah."

An initial consequence of this catastrophic situation is that a considerable number of farmers, unable to hang on, have sold part of their livestock. Obviously they could not sell to their competitors. All were in the same boat in respect to the current problems. Thus, the milk cows have gone to the slaughterhouse. There also they have sold under very unfavorable conditions: 7.50 dirhams per kg of meat. Prices have dropped so far that many families have stopped eating

poultry for the moment and are eating mainly beef. By chain reaction, the farmers who produce the poultry have seen a decline in their prices as a result both of the drop in beef prices and the rise in the price of chicken caused by increased cost of feed. It is said that some poultry farmers have suffered a 50-percent drop in turnover. This very disturbing situation has not only immediate but future implications. The decimated livestock will be difficult to restore when the time comes to renew production. This will be equally difficult for cattle and sheep.

Importation of Animal Feed

The government has fully understood the situation and has tried to remedy it by appropriate though very burdensome measures. Thus, 70,000 tons of beets and lucerne meal have been imported from France. The state paid 30 percent of the cost and the cooperatives distributed the feed among their farmers. It was thus possible to sell lucerne meal for 1.05 dirhams, which may seem expensive but it has much higher protein nutritive value than hay or forage. These imports were much appreciated but the quantities were unfortunately inadequate. Those involved said "it would have been necessary to import two or three times as much."

The milk industry, at the cattle-raising level, is thus not flourishing, but neither is the processing industries, i.e. in the dairies, the cooperatives, in processing and packaging. Supervisors in that sector say that production costs have risen to a degree that profit margins are smaller and smaller. The cost of energy, which is a large factor in processing, has gone up, and the rebates previously granted to industry in general were cancelled as of July 1980. Salaries have increased. There has been a considerable increase in fuels cost: fuel for the various factory machines has gone from 757 dirhams per ton on 1 July 1980 to 1,358 dirhams on 1 July 1981. Gasoline used to pick up the milk in the countryside and deliver it throughout the country has increased from 1.35 to 2.10 dirhams per liter during the same period. Another result of the petroleum price increase is a considerable increase in cost of plastics and consequently milk containers. Caustic soda, which is used extensively in dairies, was initially imported from Spain and sold to consumers for 1 dirham per kg. It is now produced in Morocco but sold for 2.70 dirhams and last July a further increase brought the price to 3.80. The price of bleaching water has followed a similar progression of price increases. The Compensation Fund is no longer involved in processing except to the extent of 3 centimes. Thus, the margins granted, extremely restrictive, require those in processing to reduce costs as far as possible. An experts' study established last July that the cost of processing and packaging milk was 75 centimes. However, the state allows only 61 centimes, this despite the cost increase in all directions. Currently, it is considered that dairies can only survive by making up for losses on milk through profit on derivatives such as yogurt, cheese or butter. But if this balance makes it possible to "stay afloat," it certainly does not enable new investments. Equipment deteriorates and ages, and professionals in the sector regard the future as hardly promising.

Crisis in the Dairies; Two Powdered Milk Factories

Currently, two plants are processing surplus milk during high-yield periods for transformation into powder. One is at Kenitra and the other at Marrakech. These

installations are able to handle the surplus, and during low-yield periods are used to process yogurt. For example, Yoplait is produced from 85 percent or more powdered milk and 15 percent cream. In effect, cream has been removed from the powder for better conservation and the cream used to make butter. But those in the business say that "we are victims of illogic. The state, to keep butter prices low, gives a 9-dirham subsidy on imported butter. However, this subsidy is withheld from butter made in Morocco. Local butter does have free sale, it is true, but the competition of imported products forces the producers to impose prices which do not promote effective production."

Although milk marketing currently perfectly matches demand, importation of some products continues. There is some importation of condensed milk, which is not produced locally, sold mainly in remote areas far from the distribution centers for fresh milk. But there is also importation of powdered milk for the sole purpose, apparently, of giving the consumer a broader choice.

Production Potential

The current difficult situation that we are experiencing has thus caused a significant reduction in consumption of a product which must be regarded as a basic necessity. In 1979, national production was 730 million liters, and the level remained about the same in 1980. However, a drop of 20 to 30 percent is expected in 1981. Of this 730 million, 226 million will go to plants for pasteurization and packaging. The remainder went to subsistence farming. The plants use mainly milk from imported or cross-bred cows. The typical Moroccan cows supply for home consumption.

The sector's industrial inventory consists of 13 plants at Oujda, Tetouan, Kenitra, El Jadida, Marrakech, Agadir, Kasba Tadla, Fes, and two in Casablanca. However, the Meknes plant has been closed. Two plants produce cheese at Tangier and Casablanca, and a third is now under construction at Sale. Moroccan consumption is still far below that of European countries. The following table of annual consumption (in kg) per person of milk and derivatives illustrates this fact:

<u>Per capita consumption</u>	<u>1970</u>	<u>1980</u>
Morocco	48.5	51.8
Spain	107	131
EEC	326	337
Finland	613	385
<u>Imports</u>	<u>1977</u>	<u>1979</u>
Powdered milk	3,109 tons	4,097 tons
Infant milk	1,225	1,093
Condensed milk	10,506	10,566
Cheese	2,254	512
Butter	10,518	21,506

Those in the industry conclude: "Not a very good situation, and unfortunately we do not see any solution in the near future, unless we get a normal agricultural year."

9920

CSO: 4519/39

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

LEBANESE PAPER INTERVIEWS FOREIGN MINISTER

PM091527 Beirut AL-SAFIR in Arabic 5 Dec 81 p 1

[AL-SAFIR correspondent report: "PDRY Foreign Minister Tells AL-SAFIR: Unity of Two Yemens Is Not Contrary to Aden Treaty"]

[Excerpts] Paris--PDRY Foreign Minister Salim Salih Muhammad, who is currently visiting Paris, yesterday had talks with French minister of external relations Claude Cheysson. During the 2-hour meeting the Yemeni minister handed over a message from PDRY President 'Ali Nasir Muhammad to French President Francois Mitterrand.

Speaking to AL-SAFIR about the agreement signed the day before yesterday between the two Yemeni states, Salim Salih Muhammad said that the agreement raises the standard of coordination between the two countries. It provides for formation of a supreme council consisting of the two presidents or their two vice presidents together with a ministerial committee including the ministers of foreign affairs, internal affairs, planning and education. It also provides for the setting up of a general staff command and a permanent secretariat that will seek to activate the work of the presidential council or the ministerial committee.

Minister Salih Muhammad said that it has been agreed to develop cooperation and coordination in the economic, educational and health fields as well as in the field of foreign policy.

Salih Muhammad praised the Soviet Union's support for the Yemeni people's national and progressive objectives and aspiration for unity. He said: As for the U.S. stand toward unity, it has been well known since the 26 September revolution [in North Yemen] and 14 October [leftist takeover in South Yemen]. U.S. attitudes have been conspiratorial and have tended toward sabotage against both the [YAR] Republic, which was set up on 26 September, and against us in the PDRY. U.S. imperialism has continuously been launching direct attacks against our regime.

Asked about the effect of the treaty signed between Libya, Ethiopia, and the PDRY on unity between the two Yemens, Salih Muhammad said: this unity is not contrary to the principles in the light of which the alliance was approved. In our view unity will strengthen the treaty of friendship recently concluded between the three countries.

He added: We, therefore, believe that the treaty is not contrary to the work for unity which we will carry out as long as such agreements and treaties serve the interest, development and progress of the Yemeni people.

Asked whether he expects San'a' to join the treaty after unity, he said: I believe that this matter will be discussed at the appropriate time and in my view it is premature to bring it up.

Speaking about the Omani aggression against PDRY territories, Salih Muhammad said: In fact, since the U.S. maneuvers on our borders the Sultanate of Oman has been launching frequent attacks on us with the blessing of the Americans. In the past 2 days some forces were landed on certain Yemeni territories and some citizens were detained. This is part of the campaign of provocations that has started since facilities and military bases were granted [to the United States] in Oman.

He added: We have observed all these violations and so did the Arab countries, particularly Kuwait, the UAE, and the Arab League. We reserve the right to respond at the right time.

Asked about the nature of the response, Salih Muhammad said: We are studying the matter and we have not yet defined the requisite practical response. But so far we are showing self-restraint, particularly since efforts are being made by certain Arab countries to stand against the U.S. military presence in the Sultanate of Oman and against such provocative actions, which are actually seeking to inflame and heighten tension in the area.

Salih Muhammad expressed the belief that if sincere Arab efforts are made and the higher interests of our Arab people are taken into consideration "another Arab summit will be held in the near future. We hope so."

END: 4404/167

REAGAN'S JERUSALEM POLICY CRITICIZED

PM260923 Riyadh AL-JAZIRAH in Arabic 24 Nov 81 p 2

[Article by Jasir al-Jasir: "The Jewish Wrong the American Master Wants To Perpetuate"]

[Text] The history of the U.S. presidency shows a constant phenomenon common to all presidents. All past presidents have gone back on the promises they made during their election campaign, promises made under the pressure of the campaigns. Such campaigns often make the candidate lose his political balance and, therefore, give promises by which he hopes to win votes. But once in office he finds that he cannot honor such promises because they are impossible to honor and he is incapable of carrying them out. This phenomenon has been and still is common to all the U.S. presidents.

Therefore, it was surprising and strange that Mr Reagan should depart from this U.S. presidential custom and create a new one, namely sticking to his promises and adding new ones to them. And since the promise given was in favor of the Jews at the expense of the Arabs, Mr Reagan has showed an extraordinary ability to carry out the promise he made as a candidate and to add a new one to it when he became president. And since that which the president promised is at the expense of another people, he has given more than the Jews asked for.

The U.S. president's generosity is puzzling and strange. He has handed over the best and holiest city after Holy Mecca and Medina to the worst and most degraded people by endorsing the Jews' seizure of the city of Jerusalem. Indeed Mr Reagan believes that the city should not be divided after the Jews have united it. Thus he is rewarding the thief by giving him the other half of the loot.

The master of the White House has forgotten that the Arab sector of the holy city includes more than 115,000 Arabs and that this city enshrines holy places for the biggest religions, Islam and Christianity. He has also forgotten that the city, after the Zionist completed its occupation, is being subjected to deliberate sabotage the target of which is both the Islamic and Christian holy places. The citizens, both Christians and Muslims, are also daily the target of harassment and provocations that considerably restrict their performance of religious rites.

The master of the White House has ignored all these established facts in order to please a bunch of Jews who have imposed an injustice which they call a "fait accompli" and which the U.S. master, as usual, is trying to perpetuate.

SAUDI ARABIA

IRAN ADMITS BUYING ARMS FROM ISRAEL

LD301226 Riyadh Domestic Service in Arabic 1130 GMT 29 Nov 81

[Commentary prepared by Salih al-Duwati and presented by 'Abdullah Rajih]

[Excerpts] However much misleading people and impostors in Tehran try to throw the truth behind the high walls of darkness, the latter is bound to appear because it cannot live except in light. And no matter how much the masters of deception and perfidy in Tehran attempt to deny the military relationship existing between them and Israel in the war which has now been fought between Iraq and Iran for 14 months, the wrong is bound to be removed, and everybody will know the reality of the Iranian ruling regime.

On the eve of the celebrations of the day of solidarity with the Palestinian people Iran offered its present to this struggling people in the form of a statement that has brought the collapse of the false deceptive claims made by the Iranian ruling regime to the peoples of the Arab and Islamic worlds and more precisely to the Palestinian people.

Iranian parliament speaker Hashemi-Rafsanjani said after last night's meeting of the Supreme Defense Council, which deals with the affairs of the war with Iraq, in a statement broadcast by Iranian radio that his country had been supplied with arms from Israel for use in its war with Iraq. In a statement broadcast by Iranian radio that his country had been supplied with arms from Israel for use in its war with Iraq. This is what they have persistently denied since the crash near the Soviet border of the Argentine aircraft coming from Israel and carrying arms to Iran.

It is regrettable that the Iranian politicians should be so naive as to justify the purchase of arms from Israel as the repayment of an old debt of Iran to the Zionist entity. Principles and ideals cannot be shaken by a few million dollars, but in Iran they are unable to justify this dubious cooperation.

The most serious thing contained in the Hashemi-Rafsanjani statement was maybe the fact that he said that the decision to purchase arms from Israel was made by the Iranian Supreme Defense Council in one of its meetings, a matter which exposes the nature of the link between the two sides in the Iraqi-Iranian war, and which confirms repeated reports on the participation of Israeli military aircraft on Iran's side at the beginning of the war. This was ruled

out by all the Arabs under the effect of the tears shed by the new rulers of Iran over the Islamic sanctities in Palestine desecrated by the Zionists.

The rulers of Iran who brag about Islam and friendship to the Palestinian people have now confirmed that they have come an undeniable threat to the Palestinian cause; and we do not rule out the possibility of seeing a day when the Iranian UN delegate stands up in defense of the Israeli's right to liquidate the Palestinian question and to evacuate the Arab occupied territories of their inhabitants.

CSO: 4404/167

SAUDI ARABIA

BRIEFS

AWACS FOR GULF--An AL-YAWM newspaper correspondent has reported: Answering a question raised by AL-YAWM newspaper on the presence of the AWACS planes in Saudi Arabia and their benefit to the brother of the Gulf, His Royal Highness Prince Sultan Ibn 'Abd al-'Aziz, the Saudi defense and aviation minister, said: "Any force in the kingdom is a force for the Gulf." Regarding the Gulf states defense ministers conference, the Saudi minister said that he hopes that the conference will be held on 18 January, the set date. His Highness expressed the desire that everyone [the Gulf states defense ministers] live up to the expectations of their people. His Highness was accompanied by his Belgian counterpart who concluded his visit to the kingdom yesterday. On the other hand, Prince Sultan said the visit of the Belgian defense minister to Saudi Arabia was a visit of friendship, exchange of information and furtherance of relations with Belgium, because it is a friendly country. His Highness toured a number of military sectors at King 'Abd al-'Aziz Military Base in Dhahran yesterday morning. [Excerpts] [GF261812 Al-Dammam AL-YAWM in Arabic 26 Nov 81 pp 1, 6]

IRAN ARMS FROM ISRAEL--Riyadh, 29 Nov (WAKH)--In a commentary today Riyadh Radio said that "The rulers of Iran who brag about Islam and their friendship for the Palestinian people are now definitely a threat to the Palestinian cause." The radio was commenting on the statement made by Iranian Majlis speaker Hashemi-Rafsanjani last night in which he said that Iran has received arms from Israel to use them in its war against Iraq. The radio said: "Perhaps the most serious thing in Hashemi-Rafsanjani's statement in his disclosure that the decision to purchase arms from Israel was made at a meeting of Iran's Supreme Defense Council. This reveals the link between the Iranian and Israeli sides in the Iraqi-Iranian war and confirms the reports on the participation of Israeli warplanes on the side of Iran in the early days of the war." Referring to Iranian justifications of this matter the radio said: "It is regrettable that Iranian politicians should be so naive as to justify the purchase of arms from Israel as the payment of an old debt owed to Iran by the Zionist entity." The radio asserted: "Principles and values are not shaken by a few million dollars. But they are unable to justify this suspicious cooperation." The radio added: "All the Iranian regime's falsehood and deception of the Arab muslim peoples, and particularly the Palestinian people, have been exposed on the eve of the day of solidarity with the Palestinian people which coincided with the day in which Iran presented its [word indistinct] to the Palestinian people." [Text] [GF291657 Manama WAKH in Arabic 1455 GMT 29 Nov 81]

PEACE PLAN--Riyadh, 26 Nov (WAKH)--Saudi newspapers have emphasized that the Saudi peace plan will remain a practical and implementable initiative through which the Arab nation can restore its occupied territories and through which Palestinian people can regain their usurped rights. The newspapers have said our hope and the hope of all Arab masses throughout the Arab homeland was that all Arab leaders will personally participate in the Fes summit conference and that the conference will resume its sessions so that the leaders might put forward their final attitudes toward the issue of Arab solidarity and joint Arab action to resolve the Palestinian problem despite all differences. Referring to the effusive Arab and international support for the Saudi peace plan, the newspapers have said that despite all this support, Saudi leaders tried their best to show that the plan is not imposed on any one and that it is only a set of clear and viable views that can be discussed objectively and sincerely during the Arab summit. The newspapers have asserted that Saudi Arabia wants an Arab plan on which all energies and capabilities of the Arab nation can be rallied for joint action because the Saudis are sharing the responsibility of the Arab nation's existence and destiny. [Text] [GF261058 Manama WAKH in Arabic 0955 GMT 26 Nov 81]

USSR RELATIONS--The Soviet Union is willing to restore diplomatic relations with Saudi Arabia, said the Soviet magazine CONTEMPORARY TIMES in its latest edition. The magazine was replying to a reader's question and recalled that the Saudi kingdom was the first Arab state with which Moscow established diplomatic relations in 1926. It also recalled that Prince Feisal--who was later to become king--paid an official visit to the Soviet Union in 1932. [Text] [Beirut ARAB WORLD WEEKLY in English No 643, 21 Nov 81 p 1]

SECRET VISIT TO CHINA--Diplomatic sources in Peking said that a Saudi member of the royal family recently paid a "secret" visit to Peking which fell within the framework of efforts conducted by China and Saudi Arabia to restore diplomatic relations, the Beirut independent daily AL NAHAR reported today. The report did not disclose the name of the Saudi Prince, nor the nature of the talks conducted in Peking. [Text] [Beirut ARAB WORLD WEEKLY in English No 643, 21 Nov 81 p 1]

INDIA TO OPEN SUPERMARKET--The Indian Government is to set up a supermarket in Jeddah as part of its drive to increase trade with Saudi Arabia. An official team, which will include trade and industry representatives, will shortly visit Saudi Arabia. According to Khurshid Alam Khan, India's junior minister of commerce who returned recently from a visit to Saudi Arabia, the suggestion to set up the supermarket was made by the Saudi Arabian minister of trade. After studying various aspects of the proposal, it was agreed that India could step up exports of spices, textiles, steel items, superior quality basmati rice, and hand-knotted woolen carpets. Khan said that apart from engineering goods, there was great scope for selling consumer items such as tea in Saudi Arabia. India is also planning to send more Indian handicrafts to that country. Khan said that with Saudi Arabia spending over \$90bn in 1981-1982 on development programmes, India could increase foreign exchange earnings by setting up joint ventures in the kingdom. Currently, India is importing crude oil, petroleum products and fertilisers from Saudi Arabia, to the tune of Indian rupees 1.7 bn (\$550m) annually, while Indian exports to Saudi Arabia are less than FR1.6bn (\$238m). According to Indian government sources, the prospects of getting more loans for development projects from the Saudi Fund for Development are good. The fund has given a loan of \$100m to finance two power projects in south India. Recently, it agreed to provide another loan of \$32m for a hydroelectric project in the north Indian state of Bihar. [Text] [London 8 DAYS in English No 47, 28 Nov 81 p 43]

GOVERNMENT GRANTS INDUSTRIAL BANK 1 BILLION DIRHAM LOAN

Abu Dhabi EMIRATES NEWS in English 18 Nov 81 p 3

[Text]

DUBAI (Al Khaleej): The government has pledged to grant a long-term one-billion-dirham loan to the Industrial Bank. Assistant Under-Secretary in the Finance and Industry Ministry Ahmed Humaid Al Tayer said

The loan, he said, will help the bank in financing its loans to industrial firms.

He asserted that the bank will contribute in the development of the state's economy and the diversification of its production structure through the establishment of new industries and boosting the existing ones.

He said that the bank's board of directors is the authority which deter-

mines the rate of interest on loans. This will not exceed 6 per cent, however.

Regarding the guarantees for loans, Al Tayer said, the board of directors will determine credit policy and guarantees in this regard will either be material or personal depending on each case.

The proposed bank's shareholders are the UAE government, sixteen national banks, insurance companies and one investment company. The government will hold 51 per cent of the capital.

The bank's capital will total Dh. 500 million, to be divided into 500,000 shares of Dh. 100 each.

CSO: 4700/79

INDUSTRIAL BANK POLICY DISCUSSED, SHAREHOLDERS LISTED

Abu Dhabi EMIRATES NEWS in English 21 Nov 81 p 3

[Text]

ABU DHABI (Al Khaleej): The rationale for the establishment of the Industrial Bank has been spelled out by Assistant Under-Secretary in the Finance and Industry Ministry Ahmed Al Tayer.

According to Al Tayer, the need to strengthen the country's economy in the industrial sector has stemmed from the state's reliance on oil as its main source of income. The proposed bank is expected to contribute to the growth of industry, besides diversifying the economy by advancing loans to entrepreneurs.

The bank has an authorised capital of Dh. 500 million and a paid-up capital of Dh. 200 million. As this capital was deemed inadequate, the government has agreed to give a long-term loan of one billion dirhams to the bank at three per cent interest.

Private firms and corporations and industrial institutions in which 70 per cent of shares are owned by the state or citizens will benefit from the bank's services. It will help establishment of industrial projects and expand existing ones by granting them credit. But the bank's aid for any project will not exceed 20 per cent of its paid-up capital or 60 per cent of the project's cost.

The Industrial Bank will also guarantee, on certain terms, loans granted by financial and commercial institutions to industrial firms. It will carry out feasibility studies on projects which it assists and oversee the progress of work on them.

Al Tayer confirmed that the Ministry of Finance would have no say in the day-to-day operations of the bank. Half the number of the bank's directors will be nominees of the government.

Short, medium and long term loans granted by the bank will carry interest at rates to be fixed by the board of directors but will not, in any case, exceed six per cent, according to Al Tayer.

The board will soon draw up credit policies and the guarantees for the loans which may be granted by the bank. But Al Tayer is of the view that they will be similar to those adopted by financial and commercial institutions.

According to him, the public sector's participation in the bank, is, in the final analysis, in the interests of the country. The move is also aimed at enabling the private sector to shoulder a part of the responsibility in boosting industry.

Al Tayer said that commercial banks had in the past extended loans for several projects in a haphazard manner and without making any in-depth study as to the feasibility of projects. This had resulted in heavy losses to investors and banks.

Al Tayer was also of the view that the private sector's participation was also aimed at strengthening local banks to withstand competition from foreign banks in the limited financial market in the country. Further, mixed

economic institutions were capable of taking quick decisions and in shouldering their responsibility. The plus factor in the private sector was its rich experience in the field of management.

According to the bank's articles of association, the government subscribes 51 per cent of the capital but will be represented only by 50 per cent of the number of directors, the private sector sharing the rest. But the government is the prime shareholder to ensure control over the bank's operations.

The bank's 10-man board of directors will draw up the general

policy of the bank, supervise its implementation, frame rules for loans and contributions to industrial projects and decide on allocations. It is also responsible for issuing internal rules and regulations on the bank's financial and administrative affairs, evolve rules for acceptance of deposits from shareholders, banks and financial institutions and draw up the annual report of the bank.

The general body of the bank will meet annually and within six months from the date of the bank's fiscal year. Shareholders will have a vote for every share.

The bank's shareholders

	No. of shares (in thousands)	Dirhams (in millions)
UAE government Ministry of Finance	102	102
National Bank of Abu Dhabi	8.2	8.2
National Bank of Dubai	8.2	8.2
National Bank of Sharjah	5	5
Oman Bank Ltd.	16.5	16.5
Federal Commercial Bank	4	4
Union Bank of the Middle East	9.9	9.9
Emirates Commercial Bank	5	5
Gulf Commercial Bank Ltd	8.2	8.2
Dubai Bank Ltd	5	5
Middle East Bank Ltd.	5	5
Abu Dhabi National Insurance Co.	16.5	16.5
Al Ain Ahlia Insurance Co.	2	2
Dubai Insurance Co.	1	1
Dhafra Insurance Co.	0.5	0.5
Oman Insurance Co.	2	2
Emirates Investments Co.	0.5	0.5

STEPS TAKEN TO CURB TRADE FRAUD

Abu Dhabi EMIRATES NEWS in English 18 Nov 81 p 1

[Article by Maruf Khwaja: "Sense of Urgency Marks Dubai Meeting Today To Tackle Trade Fraud"]

[Text]

The question of spurious goods and trade fraud is once again engaging the attention of authorities amid strident calls for preventive and punitive action. Today's meeting in Dubai of ministerial, municipal and customs officials is seen as part of the swift response that followed last week's closure of four supermarkets for selling time-expired food.

It was almost one year ago this month that the spurious goods issue had last arisen, and on that occasion with such vehemence that at least one authority was obliged to take unilateral action banning the import of any article whose origin or make was suspect. While this measure may have touched more than one raw nerve, the uproar that followed died down upon the placating formation of a spurious goods committee that was to take a closer and longer look at the matter.

Drawn from bodies regulating commerce, the committee appeared to have had federal blessings in its task to separate the genuine from the spurious, apportion blame or function and come up with solutions that tackled the problem while leaving delicate balances undisturbed. But if the controversy over the occasional withholding of suspect goods subsequently subsided, so did the hopes generated early on by the committee which appeared in course of time to become progressively redundant and defunct. After some initial sessions it stopped meeting altogether.

The spurious goods committee may have been defeated by contradictions

inherent in the management of commerce here or it was considered superceded by higher bodies charged with attaining still higher objectives. But according to knowledgeable circles, the fact is that forming a committee to identify the problem of spurious goods and suggest solution is a highly academic exercise. It is academic because it is unnecessary and it is unnecessary because law No. 4 of 1979 clearly defines trade frauds including spurious goods and prescribes measures for their prevention and punishment.

In the latter context, therefore, the purpose of the meeting convened in Dubai today would seem at best aimed at securing ad hoc measures to serve the aims of Law No. 4 of 1979 until regulations for its implementation are approved.

A draft of these regulations is presently under circulation with the country's chambers of commerce and industry. Emanating from the Ministry of Economy and Trade, the draft regulations amplify and elucidate provisions of Law No. 4 of 1979 which is entitled the Prevention of Fraudulent Practice in Commerce. The regulations would detail procedures to be adopted in enforcing the law and submitting violations to the process of justice.

The draft regulations were passed to individual chambers by the UAE Federation of Chambers of Commerce and Industry on a priority basis "for urgent consideration" in view of the critical need for implementation of the legislation. The chambers are under-

stood to be "seized of the matter" and the Federation is expected to receive replies which will be consolidated for submission to the ministry, hopefully by the end of this year. It is possible that a law originally drafted four years ago, legislated two years later will come to be enforced five years from the date of its origin - a long-time indeed to wait for a most elementary statute of commerce in a country which very largely lives by it.

A cursory study of Law No. 4 of 1979 would calm the fears of many traders who seem to believe on the basis of last week's events that the definition of trade fraud is limited only to foodstuffs. Far-sighted legislators had foreseen where a need might arise for defining not only certain terms but also modes of commerce. Thus, one provision takes into account the possibility of circumventing agency agreements and the introduction of goods into national commerce by those who do not have the authority to do so. Importers who introduce goods into the country through unauthorised channels i.e. by smuggling, stand in violation of the law, as indeed do traders who sell

goods under false pretences.

The enforcement several months hence of Law No. 4 of 1979 notwithstanding, what traders in Dubai are hoping for now is that the committee drawn from officialdom in four emirates will make the widest possible interpretation of the term "trade fraud." They are hoping a broadbased program of action will result. Their expectations are based on the belief that while bad food may spoil the individual's health, "bad trade" all over will ruin the health of the nation's economy, a prospect grimmer by far. And a lot of this "bad trade", they say, is due to callous violation of basic business ethics by people who import and sell spurious goods, who bring merchandise into the country by unconventional means and exercise unfair advantage over traders bound by adherence to the law.

Traders here generally feel there has never been a greater urgency for measures, even if they are ad hoc, for the control of a phenomenon that amounts to "stabbing them in the back" while they struggle to find an alternative to the Iranian market.

CSO: 4700/79

DUBAI'S CUSTOMS TARIFF SYSTEM DISCUSSED

Abu Dhabi EMIRATES NEWS in English 9 Nov 81 p 3

[Text]

DUBAI (EN): Customs duties in Dubai are still based on the fixed charges system. It is the oldest system in the Gulf and yet it retains plenty of merits which have kept it in use.

As Colonel Abdalla Abu Al Hoal, Director of Dubai Ports and Customs Department, describes it, it is a simple, easy to follow and just system and its procedures are well-known to traders who frequently deal with customs regulations.

The system consists of fixed customs duties listed in a customs charges book which covers all imported items. However, without reference to the book almost every businessman engaged in imports knows that the duties on cement and explosives used in quarries are two per cent of their cost value, while duties payable on other items are three per cent. Customs duties are calculated according to the bills accompanying the shipments. As for items arriving by air, the duties are 1.25 per cent on watches and precious stones and two per cent on other items. Usually, the procedure does not take more than an hour to complete and the importer walks out with his goods.

In such a system there are no customs experts employed as 'evaluators' but simply inspectors who have to evaluate the shipment only if they suspect the authenticity of the

accompanying bills.

Qassem Blay, an official at Dubai customs said that the system was adopted at a time when Dubai used to be the only port in the country but it was still proving successful and inspectors worked as evaluators when the need arises. "The main worry for the inspectors is not customs duties but the speedy delivery of shipments, safe storage of goods and uncomplicated procedures."

Colonel Abu Al Hoal explained that most traders who deal in imports were well-known to customs officials and were more keen to safeguard their reputation than with reduced customs charges. He added however, that defaults did take place and when they were discovered the defaulter was referred to the court. On the whole, he pointed out, a feeling of trust prevailed and defaults were usually the exceptions than the rule.

Although Colonel Abu Al Hoal has expressed his satisfaction over the present system, he also points out that it should be reviewed as every system does from time to time. He said that certain developments had taken place such as the world-wide inflation which has affected the prices of goods everywhere and should be accounted for in a new set of customs regulations formulating a more up-to-date system.

SHODDY BANKING PRACTICES CITED

Dubai KHALEEJ TIMES in English 23 Nov 81 p 1

[Text]

MOST of the banks operating in the UAE have adopted certain procedures that can be called unhealthy trend in banking.

This was stated by Mr Abdul Malik Hamar, Governor of the Central Bank, while addressing a banking seminar in Abu Dhabi yesterday. In this context he specifically mentioned deposit liabilities and the lending deposit ratio.

Mr Hamar said that the responsibilities for the situation lie with the top management of the banks. He indicated that the four parties involved in the process of rectification—board of directors, ex-management of the banks, external auditors and the supervision department—should coordinate their efforts to achieve a qualitative banking.

The two-day seminar on banking supervision, sponsored by the UAE Central Bank in coordination with its auditors 'Arthur Andersen and Com-

pany, is being attended by the representatives from the central banks of Saudi Arabia, Kuwait, Bahrain, Qatar, Oman and Iraq.

Mr Hamar pointed out that in the evaluation of banking four distinct measures would be adopted. They are: capital plus reserve, credit quality, profitability and liquidity. As far as the UAE was concerned, special attention would be paid to the individual bank's funds and the risk element involved in the loans. He indicated that a risk bureau, in accordance with the law of the Central Bank, might be set up in the near future.

Although a number of banks in the country are improving their internal control procedures, the Central Bank's supervision department intend to substantiate the financial reliability of these banks, Mr Hamar said. He called the role of the central bank as that of the voice of conscience in human life. He said the executive character of the central bank was not only to provide banking facilities but to promote a system wherein the training aspect would be developed. In

coordination with the foreign expertise, the Central Bank would work for establishing and maintaining a stable financial situation as well as for the smooth implementation of financial laws and regulations, Mr Hamar added.

Later, an official of Arthur Andersen and Company told Khaleej Times that the primary aim of the seminar was to exchange information among the participants.

'Arthur Andersen' was set up by a professor of the North-Western University in Chicago. The company has 160 branches throughout the world, including in Abu Dhabi, Dubai, Riyadh, Bahrain and Amman.

Mr Ahmed Abdulla bin Mohammad heads the Abu Dhabi office, which trains people as experts in finance, banking and taxes.

Asked about the current fiscal problems faced by many countries, Mr Ahmed Mohammad said that the drop in the lending rates of the banks, accompanied by the fluctuations in gold price and a general recession, had a telling impact on the world economy.

CSO: 4700/79

CONSULTATIVE COUNCIL APPROVES DRAFT LAWS

Abu Dhabi EMIRATES NEWS in English 9 Nov 81 p 3

[Text]

ABU DHABI (WAM): The National Consultative Council (NCC) approved during its fifth legislative term (which concludes on November 10) a number of draft laws and public projects relating to citizens' welfare and public services in Abu Dhabi emirate.

Among the draft laws approved by the NCC was a draft law on the nationalisation of Abu Dhabi Helicopters Company Ltd. The Abu Dhabi government has 30 per cent of shares in this company, while the rest are held by nationals.

Other draft laws included one on regulating trade agencies and another on the setting up of the Commercial Buildings Department. This department will finance commercial buildings in Abu Dhabi emirate.

A draft law on pensions and service indemnity for nationals employed in oil companies operating in Abu Dhabi emirate was also approved.

The NCC also approved a draft law on reorganising the Abu Dhabi

Investment Authority, a draft law reorganising the National Drilling Company and a draft law on Abu Dhabi emirate's general budget.

The major public issues discussed by the NCC and on which memoranda were submitted to the Executive Council included foreign manpower and public services in Bada Zayed in Bada Zayed region.

The NCC also submitted memoranda on raising the age for grant of driving licences from 18 to 21, cancellation of conditions for expatriates' departure, setting up of a driving licence department in Tarif area, expansion of postal and telephone services at Suwaihan and Al Ain areas and the setting up of a national company to ply taxis in the emirate.

The NCC also submitted memoranda on opening of civil defence and fire-fighting offices in Suwaihan and other remote areas in the emirate, installation of traffic lights and issuance of laws for development of livestock.

CSO: 4700/79

YEMEN ARAB REPUBLIC

BRIEFS

IRANIAN DIPLOMAT FLEES--Beirut, 6 Dec (INA)--An Iranian diplomat has managed to escape from his confinement inside the Iranian Embassy in San'a' a few days ago. He left for an unknown destination, perhaps Britain. Informed diplomatic sources have said that ('Abdallah Jahan), Iranian charge d'affaires in San'a', was detained inside the embassy for 1 week by an investigation committee sent from Tehran and led by Mahdavi, who later assumed the post of a new charge d'affaires in San'a'. The committee accused the Iranian diplomat of opposing the regime and carrying out acts against the Iranian Government. The diplomatic sources said that the committee had withdrawn (Jahan's) passport, interrogated and tortured him and prevented him from contacting his family. The sources added that the committee was planning to transfer the Iranian diplomat to Tehran just before he managed to escape from the embassy and leave YAR for an unknown destination. It is to be recalled that many Iranian diplomats in the Iranian embassies in India, FRG, Jamaica, France and Italy fled their embassies and asked for political asylum. [Text] [JN061110 Baghdad INA in Arabic 1000 GMT 6 Dec 81]

SUPPORT FOR IRAQ--Baghdad, 4 Dec (INA)--YAR Prime Minister 'Abd al-Karim al-Iryani tonight telephones Taha Yasin Ramadan, Revolution Command Council member and first deputy prime minister. During the telephone conversation, al-Iryani conveyed the greetings of YAR President 'Ali 'Abdallah Salih, his government and the Yemeni people to President Saddam Husayn and the Iraqi people. He also conveyed their hope that Iraq would continue to achieve victory over the Iranian aggressors. Al-Iryani reaffirmed the YAR's strong support for Iraq in the just war it is waging in defense of its national and pan-Arab rights. [Text] [JN042048 Baghdad INA in Arabic 2015 GMT 4 Dec 81]

CSO: 4404/167

END

END OF

FICHE

DATE FILMED

DEC 31-81